

prosperity is to exist in Canada—the government will have to take action. What private enterprise cannot do, the government will have to take upon its shoulders, and will have to accomplish.

I should like to deal somewhat more fully with the possibility of our present unemployment problem becoming a serious one. I know there are many people who would not like me to say that Canada has an unemployment problem. When one compares our present unemployment with that of our best peacetime year I do not think it would be fair to say that the problem is serious at the present time. Nevertheless we have today the beginning of an unemployment problem which, unless something is done about it, could become serious.

I hold in my hand a clipping from the *Financial Post* for March 1, 1947, giving the employment picture in Canada for February. This summary is broken down according to areas, and it gives the following information:

| | Unplaced applicants | Unfilled vacancies | Men per job |
|----------------------|---------------------|--------------------|-------------|
| Maritimes | 26,000 | 3,000 | 8.7 |
| Quebec | 50,000 | 28,000 | 1.8 |
| Ontario | 54,000 | 28,000 | 2 |
| Prairies | 38,000 | 9,000 | 4.2 |
| British Columbia ... | 28,000 | 3,000 | 9.1 |

It might be worth while noting that at the present time Windsor has the worst unemployment situation of any city in the Dominion of Canada. The average for the whole dominion is two men for every available job, but in Windsor the ratio is twenty for every available job.

There is one other item I should now like to deal with; that is freight rates. For many years the western provinces have felt that they were paying the shot so far as freight rates are concerned. Investigations held in the past have more or less substantiated that contention. As far back as 1922, investigations have shown that railway revenue was much higher in the west than in the east. One of these investigations was held from 1922 to 1925 and it revealed the fact that the Canadian Pacific net earnings in the west amounted to \$105 million, while the eastern divisions earned only \$56 million. Evidence from the same report showed that western freight rates on the average were fifteen per cent higher than they were on eastern lines.

This situation came to a head shortly after the first world war, and two equalization boards sat to deal with freight rates. The first one sat from 1920 to 1922, and the second, from 1925 to 1927. The railroads left no ground uncovered to justify higher western rates. They attempted to justify their west-

ern rates by saying that the rate per ton-mile was much lower than the eastern rate. The recent request of the railroads for an increase of thirty per cent in freight rates has met with a storm of protest from most sections of the country, particularly the western provinces. I know of no single item which will retard western development to a greater degree than the proposed increase in freight rates. If the present investigation into the case put forward by the railroads for increased freight rates results in higher freight rates it will lead to an ever-increasing demand by the western provinces, particularly Manitoba and Saskatchewan, for the fullest possible use of the Hudson Bay railway and shipping route.

Speaking in the house this afternoon, the Minister of Finance (Mr. Abbott) surprised me to some extent when he made the announcement that new measures of relief were to be granted the gold mining companies. I have gold miners in my constituency, but I noticed that, when the miners who dig the ore were seeking wage increases and union recognition in the different parts of Canada, not much concern was shown by the government for their general welfare. However, the government appears to be greatly concerned with the production of gold and the welfare of the gold mining companies. Personally I cannot see why this should be. Gold is not an essential commodity. The world could get along very well without it. When the war first broke out, we actually curtailed the production of gold in this country in order to put men at more useful work. Using it as a base for our currency is an old-fashioned idea. We got rid of that during the war also. We used currency and credit and there was nothing to support that currency and credit but the printing presses and the effrontery of the issuers.

The generous allowances outlined by the minister this afternoon, such as increasing the depletion allowance from 33½ per cent to 40 per cent for the whole industry and the many other concessions that were granted in that statement will cost the taxpayers of this country a great deal of money. This contrasts greatly with the government's attitude to the request of 13,000 coal miners in Nova Scotia and New Brunswick when they appealed to the federal government to subsidize their wage increase of \$1.40 per day. That would cost the federal government and the taxpayers approximately five and one-half million dollars. It would help establish fair standards of living for the mine workers; but, in return, coal would be now produced in Nova Scotia. Thousands of dollars would be accruing to the government for personal income tax.