

In the anxious years through which you have passed, you have been the witnesses of grave defects and abuses in the capitalist system. Unemployment and want are the proof of these.

What are the defects of the capitalist system as it operates to-day and will operate to-morrow if there is nobody to change it, to modify it and to consolidate it?

Is its failure to produce in large quantities for humanity the necessities of life and comfort the cause of these defects? Certainly not, as machinery intended to relieve the worker's muscles and the new processes invented by human ingenuity can produce and, as a matter of fact, do produce more than the great universal family can absorb.

Can you understand how whole populations are suffering from hunger when the granaries are filled with wheat? The only answer to that question is that the capitalist system failed in its task of distributing equitably, among all the elements of the community, the annual production of the farmer and the workman. The lack of work and, consequently, of buying power, has been the main cause of that failure.

To the defects of the system have been added egotism and want of foresight on the part of the producers.

The human point of view and even Christian charity have been forgotten to such an extent that human labour has become an article of trade. Manufacturers would settle in one province rather than in another on account of cheaper labour—"a cheap labour market."

Some people will say that we should leave people free to profit by their egotism. The answer to that false theory about freedom is that we must claim for this Parliament and this Chamber, which are the manifestation of democracy, that they have the right to legislate in order to guarantee the welfare of the people.

As the leader of this Chamber said last year, the treatment should be a new one. Let me quote his words. After having shown to what extent machinery took the place of the workers, he said:

But the naked and unassailable truth, which only stupidity can prevent anyone from seeing, is that if the United States were to be brought back to-morrow to the peak production of 1929, a production which the world utterly failed to consume or to purchase, there would remain in that country no fewer than six and probably eight millions of unemployed, representing virtually one-third of its whole earning population. What is true there is true in other lands, but the enigma is greater and perhaps the lesson ought to be clearer when one looks upon the situation as a phenomenon of the United States. That is essentially an immensely wealthy country, the greatest self-contained country in the world. If it were a planet it would not need to

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trade with any other planet in order to multiply the wealth of man. It produces either all that mankind needs or effective substitutes therefor, and if it could devise a plan for putting to work those millions who are now unemployed it would be a happy land. When we see that country struggling in the throes of one of the most terrible depressions that any nation has ever had to face, when we see its people in such desperate straits that even the people of Old England are prosperous in comparison, we are forced to think that something further is needed than mere amendments to tariffs and the holding of international conferences, or the trying of other and somewhat archaic medicines that have been applied to the body politic in the past.

What will these reforms be?

The message of His Excellency points out the ones already passed by this House, such as the creation and the realization of a Central Bank and the law respecting the metal coverage for our bank bills. The main object of these laws is to provide a control of the financial credit of the country in order to secure a greater amount of stability and prosperity. We know by experience that it is much better to enjoy reasonable comfort during our whole lifetime rather than be rich to-day and poor to-morrow. On the other side, it is a well known fact that a rational control of credit is necessary to prevent, in the economic body, those sharp ups and downs which always bring poverty in their wake.

So we shall have to study laws establishing minimum wages and maximum weekly hours of work; laws providing for the security of the workers during periods of unemployment and sickness and in old age; laws to put an end to certain abuses in commercial methods, and many other legislative measures.

All these laws will tend, after all, to attain the same result, so necessary to the welfare of the people: a more equitable distribution of the buying power among our population. In other words, that equitable measure of buying power is expressed by reasonable income or wages which citizens can live on, according to the legitimate aspirations and the dignity of man.

Also, in order to attain that result, we shall have to study laws intended to divide the burden of taxation so that its incidence will be more consistent with the paying capacity of the taxpayer.

These reforms cannot be made in one day and they will form part of a concerted scheme. To the ones already mentioned will be added other schemes which will complete or perhaps modify them. I think, however, that the object towards which we should concentrate our whole ability, efforts and goodwill is as clearly indicated as the Polar Star indicates