

dangerous practice. We find outstanding statesmen promising, for instance, that the world is going to have freedom from want and freedom from fear, without ever breathing even a word as to how they propose to bring about these great achievements. The members of this house at this critical time in our history should not accept all these assurances without some scrutiny. It is our duty to find out to some extent where we are going and how we are going to get there. We may be detoured from our path, but at least we ought to have some idea of where that path should lie.

May I turn now to some of the remarks made by hon. members who have already taken part in this debate. First I should like to give some attention to the leader of the opposition (Mr. Graydon) and to his very fine speech. I congratulate him warmly upon his first speech as leader of the opposition. It was beautiful, but, as I said before, there was not a word in it as to how he proposed to attain his ends. He told us that people, not socialists, are seeking a voice in parliament. Very true. He said that there is room for a new party, and he indicated that the Progressive Conservative programme provided a basis for a new people's movement, that it constituted an honest attempt to find a solution of our problems. A gentleman whom I am now going to quote has made a pronouncement upon the very problem which confronts us. I refer to Milo Perkins, a well-known government official in the United States, who has said this:

What we need most is a redirection of our genius as a people. Heretofore, we have concentrated on methods of efficient production. For the first time in history, we are suffering because we have too much of the things we need most. Henceforth, we must concentrate on efficient and businesslike methods of increasing domestic consumption, no matter how much violence it may do to some of our preconceived notions.

I am going to quote another passage from the same statesman:

The unsatisfied wants of two-thirds of our people make up the greatest new market that has ever loomed before our businessmen and our farmers. It is right in our backyard. All we need is some courageous internal pioneering and some imagination.

I trust that the leader of the opposition will not consider me too unkind when I point out that I fail to see in all that he said and in all that emanated from the Winnipeg convention any sign of that pioneering and that imagination. Our problem is that of distribution. Men have solved the problem of production not only in Canada but throughout the world. Not only have

men solved the problem of production, but they are on the way to achieving a measure of production surpassing all that a man could have dreamed of as possible ten or fifteen years ago. Men like Henry Kaiser, the famous contractor, and Doctor A. A. Stine, of the chemical organization in the United States, are witnesses to this truth. If our problem when the war broke out was a problem of distribution, it is going to be doubly a problem of distribution when the war ends. Let us never for a moment lose sight of that fact. Then we shall look into every set of proposals for the secret of distribution. We need a new technique of distribution.

May I examine for a moment or two our distribution machine as at present constituted, with the object of endeavouring to discover if possible why it is inadequate and why it has broken down. Let it be borne in mind that the medium of exchange which we now use is the medium of distribution; for up to the present time there is no distribution without an exchange. This means that the medium of distribution to-day is the dollar, or a unit of currency.

We use for our dollars, for our media of distribution, only money which is borrowed from the banks. It matters not how great our production may be or how great it may become, the limit of our distributive capacity under our present system is the amount of money which bankers will lend, the amount which men will borrow from bankers. This constitutes the major flaw in our distributive system. Not only do we have to pay back every dollar which is borrowed, but we engage to pay it back with interest, which means that progressively there will come to be less and less money in circulation with relation to the debt which the community owes for the money. This constitutes another serious flaw in our distributive system. It means that the amount of monetary distributive machinery which exists in any community becomes progressively less effective as the years advance.

Let us bear in mind that this also follows: If bankers at any time choose to cease to lend or to restrict lending, or if men for any reason at any time cease to borrow, then immediately our distributive machinery is bound to be seriously impaired.

No government up to the present time has been able to prevent banks from ceasing to lend; no government up to the present has been able to get men to go and borrow when they chose not to borrow. These two facts put together force one to the logical con-