moment we have something in the neighbourhood of 613,000 persons registered as seeking employment, and I should like this house to consider the increasing helplessness of the unemployed as compared with previous years. Today it seems that the moment the ordinary wage earner in Canada loses his job, because of the high cost of living and the fact that the trend seems to be toward the displacement of labour, he finds himself in an almost hopeless situation where he is no longer master of his own destiny. This is not a trend which is likely to stop of itself, because we are told on good authority that the trend toward the displacement of labour by technological advancement, the development of new machines and new methods, is increasing not only year by year but month by month. I believe there is a new term for it, "automation", the process through which every new invention, every new technical advance has the effect of producing as much or more with less and less labour.

In spite of the fact that our gross national product may be increasing year by year—and certainly it should with the increase in our population—we could have the anomalous situation that in spite of the fact our production is increasing, the number of persons employed in the production of those goods and services is decreasing. As a matter of fact that is the situation now when you take into consideration the fact that our population is increasing and at the same time the numbers of unemployed are becoming greater and greater. It is not only the fact that men are being displaced, but the fact that this has been going on for a long time, that is causing concern. I believe we must trace the problem back to its root, because the whole nature of our economic system has undergone a tremendous change, even in the last half century.

We do not need to go back as far as the industrial revolution. Even going back 50 years we find that, so far as labour is concerned, the whole character and nature of our economic system has changed radically. There was a time when the system we commonly refer to as the free enterprise system had some practical characteristics wherein a man was the producer, the labourer and the owner of his own plant. Let us take, for example, the man who 50 years ago made shoes in his own little shop. He was the owner, employer, producer and salesman for his product. He was the master of his own destiny. If he were located in a certain town or village where business was not good, if fewer customers were coming into his shop or his product was not selling well, it was not too difficult for him to gather his tools together, take his work bench along and move to another location. He was, to a certain extent, the master of his own future.

But what has been happening? I have given that illustration, but the same picture is true if applied to construction or manufacturing in all its ramifications. What has been happening since the industrial revolution is that progressively the labourer has been separated from his tools. Today a man working in a big industrial plant in which things are produced under the mass production system, where the conveyor belt is the rule rather than the exception, is no longer the master of his destiny. If the management of the plant in which he is working decides that new machinery can produce the same amount of goods or more with less labour, he is notified his services are no longer required. What has he to pick up and take to another location? He is not even the owner of the tools with which he works. He has only his own two nands, his labour or his skill to sell. In other words he is not only being separated from his tools by advancement and scientific inventions; he has also been separated from his capital.

The man who used to produce and sell his own goods in his own shop used part of his money for his daily living, and the rest was invested in his own little business. It was used to improve his tools and equipment, or to try to turn out a better product. He used his wages both for living purposes and for creating capital for himself. Today the man who works in a huge industrial concern creates capital, that is the amount over and above his wages and the expense of running the plant, but that capital is no longer available to him. He has no share in it. He has devoted his skill, time and energy and has earned his wages, which have gone into his cost of living. When he is told his services are no longer required, there is nothing he can take away with him. The capital he has earned, that is the amount over and above his wages, and the expenses of the plant, is left in the hands of that particular industry.

I would like to quote a passage that appeared almost exactly a half century ago, in the first volume of Adam Smith's "Wealth of Nations" where, at page 32, he says:

> Labour is the first price, the original purchase money that was paid for all things. It was not by gold or by silver but by labour that all the wealth of the world was originally purchased: and its value to those who possess it and who want to exchange it for some new production is precisely equal to the quantity of labour which it can enable them to purchase or to command.

These are very important words, because they bring us back to a realization that there is no such thing as relations between capital