

*The Budget—Mr. Kuhl*

ride free on Trans-Canada Air Lines. If one may judge from what my hon. friends contend, it must follow that because things are nationalized we would get those services a good deal cheaper, and perhaps even free of charge. But there is no indication of that at the present time. Then, so far as effectiveness of administration is concerned, I contend that private administration is infinitely better than public.

At this point I should like to elaborate briefly on what I have described as false charges, the first of which was that private enterprise has failed, because it does not provide employment. I hesitate to repeat many of the things I have said on previous occasions; but despite the fact that I have repeated myself hon. members continue to say that the purpose of private enterprise is to provide jobs. As I have said before, so long as they are going to insist upon that statement, I shall continue to insist that that is not the purpose of private enterprise. I have already said that the charge that it does not provide jobs is a false one, because it is not responsible for employment. That is where our Liberal and Conservative friends fall into the socialist trap. They assume on behalf of private enterprise the obligation to provide jobs; and they know right well it cannot be done, that private enterprise cannot absorb all the people of the nation to the extent of eight hours a day or more. Surely they must know that from past experience. Yet they accept that responsibility; and when the C.C.F. come along and say, "Well, look what happened in the days before the war; we had private enterprise and look at the unemployment," my hon. friends of the Conservative and Liberal parties have no answer; they simply sit there and take it. They should have an answer, but they never will until they have the social credit answer, which is that private enterprise is not responsible for employment. The only function and purpose of industry is to produce goods, whether it takes few or many man-hours.

The other day I placed on record a quotation with respect to objectives, on this subject. I am going to do so again, and I am going to continue to do so until the thought penetrates the understanding of hon. members. I am going to quote Major Douglas once more.

Mr. CAMPBELL: Who is he?

Mr. KUHLE: Major Douglas is a man who has concentrated more thought, more intelligence, more vision and more realism in one sentence than the hon. member has in all the speeches he has ever delivered. In his book

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entitled "Monopoly of Credit", Major Douglas has this to say on the subject of industry and employment, at page 116:

In attacking an engineering problem the first point we settle, with as much exactness as possible, is our objective. No engineer observer of the discussions which take place in political and lay circles on the industrial problems of the present day can fail to be struck with the fact that the problem itself is rarely stated with any clearness. For instance, the paramount difficulty of the industrial system is commonly expressed as that of unemployment. Therefore the suggestion involved is that the industrial system exists to provide employment, and fails. Those who are engaged in the actual conduct of industry, however, are specifically concerned to obtain a given output with a minimum of employment, and in fact, a decreasing amount of employment. Consequently, those who are talking about industry and those who are conducting industry have in their minds objectives which are diametrically opposed and incompatible.

In view of what the Minister of Finance has said about agreeing on objectives, I think this is one statement on which he should meditate seriously. As I said only a few days ago in accordance with this statement, we are presuming to attempt to go in two opposite directions at the same time on this subject of employment. On the one hand, we do everything possible to encourage the substitution of more and more power machinery, better machinery, more efficient machinery, and before long we are going to use atomic energy. On the one hand, we are doing everything we can to displace the man-hours of work, and we have achieved a great deal in that respect in a very few years. Yet on the other hand, what do we find? People continually suggest and urge that we must put people to work. On the one hand, we are putting them out of work; on the other hand we say we must put them to work. How is it possible I say, to go in opposite directions at the same time? To my Liberal and Conservative friends all I wish to say on that score is that, unless they are prepared to alter their attitude on this subject of unemployment, they must expect the socialist charge which is laid against them. Therefore I say that, to be reasonable and logical, it should not be suggested that private enterprise is responsible for providing jobs for anyone, because it is responsible for production only. So that I say we should concentrate on the matter of production and forget about the jobs, whether it takes jobs or not. The thing we are interested in is production, no matter how many or how few jobs it gives.

The second charge which I have said I considered false is the charge that industry refuses to develop the natural resources. I have pointed out already that in the days prior to the war we had a virtual flood of