

hope that the present government while it lasts and whatever government succeeds it will give further consideration to the case of our old people; and I urge particularly that we keep away from the thought that this matter is a provincial responsibility. We must recognize it as a national responsibility. I urge, too, that we look squarely at the total amount of money which old age pensions are costing us, and ask ourselves if the really small amount we are providing for this purpose is good enough for our old people, in the light of our present national economy.

Mr. BLACKMORE: Mr. Chairman, I should like to make a few remarks with respect to the Department of Reconstruction. I had intended to speak briefly on this matter when the minister's portion of the appropriation was before the committee; but time interfered. Yesterday the minister tabled a pamphlet entitled "Employment and Income." I have read this pamphlet through. After the great amount of advance advertising which it and the work of the Department of Reconstruction received from the minister himself and from other ministers, I had been led to believe that in this pamphlet we were going to have something really epoch-making. I thought possibly we would really be given an idea as to how we could emerge from the old order into a new order. But I must say that reading this pamphlet through greatly disillusioned me. I was utterly disappointed. There is in this pamphlet no evidence whatsoever of any new heaven or any new earth. There is no indication of any real appreciation of the causes of the economic ills which afflict the world at the present time, and there is no sign of any knowledge how to remove those causes. That is an exceedingly serious matter.

I spoke on March 23 about the international conference at San Francisco, and I found the same fault with the general set-up there. They seem disposed to talk about everything but the causes of the trouble and how to remove those causes.

Now, the causes of the trouble which we face to-day are briefly these: that we have developed great machines of astonishing efficiency; we have perfected highly efficient technological skills, as a result of all of which we are able to produce abundantly and largely without the use of men, the result being that the purchasing power in the hands of the people as related to the amount of goods and services which are coming on the market is gradually decreasing, with the result that we have an inability on the part of those who produce to sell their product at a reasonable price, and an inability on the part of the people generally to buy the goods; the result

being that we have poverty in the midst of plenty and general consternation and dismay, with the tendency for the producers to combine in greater combines and cartels, international organizations, and a tendency on the part of the labouring men to combine in a similar way to combat the power of money, with the result that there is an urge everywhere apparently to centralization of power and the destruction of democracy. Not only is this to be observed within the nation but it is a world phenomenon. We shall never overcome this difficulty; we shall never be able to protect democracy unless we discover the fundamental causes of the trend of our day and set about remedying those causes.

With respect to this white paper, the Social Credit group has not had time fully to study the government's employment and income scheme, but we are convinced from the study we have made that the white paper does not contain any effective cure for the economic disturbances which ended in the world catastrophe of 1939. Rather, controls are to be increased to make effective resistance by nations to economic ills more difficult, if not impossible. Further, it is clear that disarmament and similar proposals are not advanced in whole or even mainly in the interests of peace through international good will, but rather to prevent national resistance to economic conquest by means of an international gold standard. These are hard things to say about the minister's general proposal, but the mere fact that the whole plan centres around the Bretton Woods agreement indicates that what I have said is not an unjust criticism.

I have several suggestions to offer the minister in connection with the rehabilitation and reconstruction of Canada. As he will agree, we must increase production and consumption or distribution in Canada. Only by these two processes can the standard of living of the Canadian people be raised to where it should be and maintained there. The ordinary socialist takes the stand generally, I gather, that private enterprise will not produce abundance. That, I maintain, is the most flagrant nonsense because private enterprises are producing so much goods that we find it utterly impossible to sell them all. Therefore our difficulty is by no means production. We can produce if we could only enable private enterprise to sell. The problem is, therefore, to enable them to sell and at reasonable prices. I am not going to deal now with how that is to be done except to hint, but I intend to approach the problem of rehabilitation from the practical point of view in a general way, a thing which the minister will, I think, readily understand.