

*Unemployment Relief*

people are not buying goods. The people have no purchasing power; they are not purchasing goods. If the people had purchasing power and every man had money in his pocket, would there be any unemployment? It is all nonsense—

Some hon. MEMBERS: Hear, hear.

Mr. YOUNG: I am glad that my hon. friends recognize that their legislation is nonsense. I say it is all nonsense to talk about the over-production of goods. You cannot tell me that there is too much food in the world when half the world's population are normally underfed. You cannot tell me that there is too much clothing in the world when most of us are shabby and down-at-heel. You cannot tell me that there are too many houses when a large percentage of the people are inadequately housed. The trouble is that the people have no purchasing power, and the only remedy for unemployment is to increase the purchasing power of the people. Every measure you adopt that will increase their purchasing power will help to relieve the unemployment situation, and every means that you take to decrease that purchasing power will only aggravate the situation.

What does the government propose to do? To take \$20,000,000 out of the pockets of the people of this country and spend it on public works. When the Prime Minister spends a dollar in building a highway in one part of this dominion, he may create one dollar's worth of employment where he spends that dollar, but he will create a dollar's worth of unemployment where he collects that dollar. The man from whom he collects that dollar will have just one dollar less to spend at the corner store; the merchant will have one dollar less with which to buy goods from the wholesaler; the wholesaler will have one dollar less to send to the manufacturer, and the manufacturer will have one dollar less with which to employ labour to make the things that that man would have bought with his dollar. So I say that for every dollar's worth of employment that you create in one part of this dominion, you create a dollar's worth of unemployment in another part. I go further and say that you create more unemployment than you remedy, and for this reason: You are going to take \$20,000,000 out of the pockets of the people. You are going to diminish their purchasing power by \$20,000,000. Are you going to spend the whole of that \$20,000,000 in wages? No, you are not. You are going to build highways. To build highways efficiently you need expensive

[Mr. Young.]

road machinery. Most of it will come into this country from the United States.

Some hon. MEMBERS: Oh, no.

Mr. BELL (Hamilton): Not under this government.

Mr. YOUNG: It is quite conceivable that my hon. friends opposite would be willing to hold up the construction of all these roads until they had built factories in this country to turn out the machinery that was necessary to build the roads. I say that a lot of this machinery will come in from the United States.

Some hon. MEMBERS: No, no.

Mr. YOUNG: When that machinery crosses the border, the Minister of National Revenue will insist upon his share of that \$20,000,000 and duty will have to be paid on that machinery. So there will be less money available to spend on unemployment than you take from the people.

An hon. MEMBER: Well, well.

Mr. YOUNG: Well, well, yes. You will have decreased purchasing power and increasing unemployment. The proposal of the government is to take more money out of the pockets of the people. The whole trouble is that too much money has been taken out of their pockets already.

I want to say a word to the Prime Minister. I presume that it is his intention that as large a percentage as possible of this \$20,000,000 shall be spent directly in wages for work done, and as little as possible in other ways. Is that correct? I presume that that is what he is going to do. The less he spends on other things, the more he will have available to spend on wages for working men. So I ask him this question: In order that that desirable end may be attained, would he be willing to permit all the material and equipment required to carry on these undertakings to come into this country duty free?

Mr. ERNST: Would you?

Mr. YOUNG: Sure I would. I will go further. Judging by the speeches of my hon. friends during the campaign, we are confronted with a national calamity, or at least a crisis. What did other countries do when confronted with a crisis? What did Japan do at the time of the earthquake? In order to permit relief to get into the country to those who needed it, she threw down her tariff barriers. What was done when we built the Canadian Pacific railway? The same thing. Why not do it now, why not