

Our people spent last year on military preparations \$384 million, and probably \$400 million will be voted this year. Within ten years a great part of the equipment purchased will be obsolete, and much of our present-day training will be valueless. I am not without knowledge of this matter. Take a young man of twenty and train him two years for air service: when his course is over, and he is twenty-two years old, his further term of usefulness will not be more than four or five years. A young man I know had a brother, a very distinguished airman, twelve years younger than himself. When the war outlook seemed desperate, in 1943, he wrote to his brother and told him he thought he would join the Air Force. The airman wrote back: "Dear brother, don't do it; you would just be another arm-chair soldier, and no good at all to anybody; in fact you would be dangerous to everybody with whom you came in contact;"—and this, for reasons which are clear enough to those who understand what air training involves. If a plane engine is hit by an anti-aircraft gun and set on fire, the pilot has one minute to put the fire out, or the engine will explode, and "good-night", the crew are in ternity. So it can easily be understood that in ten years, or even less, an enormous part of our current military expenditures will be useless. I do not object to this money being spent, because, like almost everybody else, I realize that under present conditions we must be ready, if war breaks out, to take our place at a moment's notice in the struggle against aggressive nations. So much for communism.

The next question with which I want to deal is unemployment and what it involves. The generation represented by those sitting in this chamber has a much better understanding of this problem than any which preceded it. Until 1930 we in Canada did not know what unemployment meant. True, a certain amount occurred in the winter, and sometimes there was suffering in the summer, but mass unemployment, here and elsewhere, was unknown. Now we have resolved—and I do not think this resolution is confined to any one party—that never again shall men and women suffer as they did in the thirties for lack of food, clothing and shelter. I do not know how serious our unemployment situation is. The government have indicated, I believe, that it is now mainly seasonal. I doubt this. While some part of it is due to seasonal fluctuations, there is a slow decline in sales of goods of every kind, both primary products and manufactured articles. To meet this trend, employers are letting out this man and that man, and the numbers of unemployed constantly increase.

I know that the subject presents many difficulties, but it is my hope that whatever the government undertake in this regard will be done in pursuance of a long-term policy. One factor in the problem is that in many industries wages have risen to very high levels. I am not discussing whether this state of things is justified; I am merely pointing to the fact. Although, for instance, the railway companies recently were granted a rate increase of 21 per cent, practically the entire revenue so obtained has been absorbed in increased wage rates; and a new application is now under consideration. I repeat, I am not arguing that the men are not entitled to what they get, although I have my own opinion about it; but if further wage increases are granted, the railways will be compelled to apply for another increase of rates; and so the cycle will be repeated. Now, when we run into a depression, it is the higher-paid and the senior men, for the most part, who stay with their jobs, while the lower-paid and part-time employees drop out. Taken as a whole, our economy is very difficult to keep in balance. I know that in discussing it I am on dangerous ground. But, to speak candidly, I believe we must realize that it cannot be carried on unless the primary producers get a reasonable return for their products, and I include those of the fisheries, the forest, the mines and the farms. To my mind this is fundamental so far as Canada is concerned; some other countries may be in a different position. Some of our friends may say that I have disregarded other important elements in our economy, but that is not so: I am trying to be realistic. Canada's prosperity at present, and probably for some years to come, depends very largely on the return we receive in the world's markets for our primary products. Even some manufactured goods brought here for the purpose of manufacture and sale in their finished form abroad may be regarded from the viewpoint of primary products. However I believe that the returns received by our fishermen, lumbermen, farmers and other primary producers have never been exorbitant in relation to a proper standard of living. It may be that in the past three or four years, owing to world conditions, our primary products have secured rather higher prices than usual in the markets of the world, with the result that the producers have been able to buy a little more and pay off some of their mortgages. But by and large they have never had too big an income; and they are now facing the possibility of a decline.

On this fundamental issue Canada must take a definite stand. I believe that we, as