

*Family Allowances*

population, every man, woman and child, rich and poor, that goes to make up the community which we know of as the nation:

What is 99 per cent of the expenditure of government in normal times but outlays in the nature of investment in industry: investment in property and services of one kind or another, which alone makes possible the vast cooperation and coordination of effort which is the very life-blood of industry? The vaster industrial organization becomes, the more it depends in a multitude of directions upon the investments, not of capital or labour or management, but of the community.

It is the community which provides the natural resources and powers that underlie all production. Individuals may acquire title by one means or another, but it is from the community, and with the consent of the community that titles are held. It is the community, organized in various ways, which maintains government and foreign relations, secures law and order, fosters the arts and inventions, aids education, breeds opinion, and promotes, through concession or otherwise, the agencies of transportation, communication, credit, banking, and the like, without which any production, save the most primitive, would be impossible. It is the community which creates the demand for commodities and services, through which labour is provided with remunerative employment, and capital with a return upon its investment. Apart from the community, inventive genius, organizing capacity, managerial or other ability would be of little value.

Turn where one may, it is the community that makes possible all the activities of industry, and helps to determine their value and scope.

Community investment is supposed to receive its return in enhanced purchasing power to consumers as respects the number and quality of available services and commodities.

I hope it is clear that in the world as organized industrially to-day all that is received in the way of wages, all that is received in the way of interest on capital, all that is received in the way of salaries for managerial ability, is dependent upon what the community itself does to make possible their cooperation in the work of industry. If that is true, then the question immediately arises, where does the return to the community come in? What is the reward that the community receives? As I have indicated here, the reward that the community gets is the services and commodities which are made available for use as a result of the four parties I have mentioned working together

[Mr. Mackenzie King.]

in production. They have worked together so successfully that they have solved the problem of production.

In the early days of the old regime of hand tools it was only a limited production of commodities and services that the parties to industry could make available for use. Production was limited by individual skill; but to-day with the aid of machines, the parties to industry all working together, and with what the state does to keep in working order this great industrial organization, we have been able to produce so much that at times nations have destroyed large parts of what has been produced on the farms and in the fields, and some of the things that have been manufactured, rather than have them equitably distributed. Surely there is evidence of great injustice here—that the resources which were given to man for his enjoyment should actually be destroyed because production has got to the point where not only all that is needed for society is produced, but where it is possible for a large part of total production to be left in the hands of individuals rather than distributed for the well-being of the many, to say nothing of great quantities of wealth being destroyed that a privileged monopoly may be maintained. The community does get its reward in services and commodities, but it does not get a reward which for a large portion of the population begins to be adequate. It gets its reward in services and commodities for a number of individuals. The very well-to-do secure it in abundance. The comparatively well-to-do receive a limited return, but the mass of people do not begin to get from the natural resources of the country which have been given by the Creator for the benefit of all what they should get in the way of services and commodities as a result of those natural resources being transformed in the way which makes them available for human use. And that is what this particular measure, among other social security measures, seeks to bring about in the way of justice where at the present time great injustice exists.

The new conception of industry I wish to place before the house is the following:

No longer must industry be thought of as a mere revenue producing process, in which capital, labour, management, and the community meet like so many rival and contending factions, each to appropriate to itself by force or might the largest possible share of the fruits of industry. Industry must be thought of, as in reality it is, as in the nature of social service, and participation in industry, whether in the form of labour or capital investment, as social service of the highest kind, since upon its successful accomplishment rest all other forms of human service.