

The Address—Mr. Knight

down in price. The manufacturer simply shuts down his factory and throws his employees upon the tender mercies of unemployment insurance until once more the need for supplies makes people willing to pay the same if not a higher price for the same goods. Once again we have proven our ability to produce far more than the needs of our own population. Consumer goods are plentiful, but they are not getting into the hands of the consumers. This tremendous production of consumer goods goes on in spite of the demand created by defence production and the transfer of men and machinery formerly used in the production of consumer goods to the production of defence goods. Is it any wonder that certain groups of businessmen are concerned as to what is going to happen if peace is declared? Is it any wonder that the New York stock exchange slumps to the degree that Korean settlement becomes likely? I ask hon. members if that is not a tacit admission that our economy only works smoothly during a war period or when war is threatening. Whether or not it is a sign that business interests believe there is now a better chance of peace than formerly, our economy is certainly not functioning too well in some quarters.

We hope that the optimism expressed today about a cease-fire in Korea is justified. If a cease-fire has been agreed upon; if a geographical line has been decided upon; if the date for such a cease-fire has been set, then I hope Canada will bring her influence to bear upon her allies to bring their influence to bear upon their foes to the end that in the meantime there may be no more killing and unnecessary slaughter before the armistice. A soldier may think the world well lost if he is fighting in a just and necessary cause, and the parents of our troops may even agree, but it seems to me a pity that a soldier should lose his life under circumstances such as I have described, in what must be for that time at least a pseudo battle which can decide nothing. I speak with some feeling on this matter because I was intimately connected with a family who suffered an unfortunate occurrence about the end of world war I. When the date of the armistice was announced as November 11 the family met together to celebrate in a quiet way the fact, as they thought, that their son would now be coming home unscathed; but the boy was instantly killed one night in a wheat field near Cambrai just a day or two before November 11, the date upon which the armistice actually went into effect. The yellow telegram arrived a day or two later. A life was unnecessarily lost which could have been

[Mr. Knight.]

spared for Canada, a life which Canada and the parents of the boy could ill afford to lose.

I was saying that our economy is not functioning too well in some quarters. The hon. member for York South (Mr. Noseworthy) pointed out to the house the other day the seriousness of the unemployment situation in Toronto. Vancouver too is having its unemployment problem and is concerned lest its mild climate may attract more jobless people to that part of the country. I have here the *Saskatoon Star-Phoenix* of November 21, 1951, in which there is a Canadian Press dispatch to which I wish to refer. It contains a statement by Mayor Fred Hume of Vancouver to his council. The article reads in part:

"Things are getting tough in Vancouver, no fooling," Mayor Fred Hume told council. "I have as many as ten people in every day looking for work and I don't know where to send them." On October 25 there were 12,604 persons registered with the national employment service in Vancouver and only 1,025 unfilled jobs.

Vancouver is warning unemployed people to stay away, and with some reason. I have here an article from the *Montreal Gazette* of November 21 which refers to social service workers as saying:

We've been urging all the younger men to start hitch-hiking towards the coast ports before the weather gets any worse.

The same dispatch says that in Montreal 20,000 men and women are unemployed and that the number may climb to 30,000 by the end of this week. Soup kitchens have been opened, and in the words of the article, "transient shelters are filled to capacity each night". The article is accompanied by a picture of a line of men waiting for a free lunch, and winter is not with us yet. The article mentions the scarcity of cash as one of the reasons for unemployment. I am reminded of the Minister of Finance's definition of inflation: "Too much cash," he has said on numerous occasions in my hearing, "chasing too few goods." It is a definition which will interest but will not encourage able-bodied men who are out of work. They have no cash. Goods are plentiful, it is true, but so far as they are concerned they are plentiful only in the shop windows.

Let us look for a moment at the other side of the coin. Profits and dividends are at an all-time high. The minister is trying to see to it that we have not too much cash. Taxation has now reached the point in this country where it may in fact become inflationary. I should like to refer to the *Montreal Gazette* of November 24 which says that the revenue surplus soared to \$604,700,000 for the first seven months of the fiscal year, with October showing an increase of \$91,500,000