

General Information and Price Policies

The first condition essential for work recovery is not to be hindered in the form of the money provided by way of relief and credit, but in terms of goods and services. People eat food and wear clothes - not dollars. It is essential to witness the foodstuffs in the market. During the war, money was scarce by nearly 50 per cent, with a total labor force only 15 per cent of normal strength. These two conditions are essential for recovery. It is essential to witness the goods and services provided.

By providing for a lower rate of interest than would have been demanded and obtained from a hard-pressed borrower, by having regard for the financial policy of the economy and by being based on long-run rather than short-run considerations, the various countries entered into a policy of mutual assistance, and especially Britain, with some limitations to their local situation undoubtedly provided, which is essential at a time when assistance is badly needed.

(Additional copies of this reference paper or copies of the complete text of the speeches quoted may be obtained from the Information Division, Department of Economic Affairs, Ottawa.)