

Proposed Committee on Unemployment

no fisherman requires a great amount of cash, only sufficient to provide the necessities that will keep him alive during 1954. I want to see such fishermen have that assistance, and I hope the government will see fit to provide it as soon as possible in order that they may once more be established in that industry which they love, doing once more the type of work they know how to do best.

When the hon. member for Cape Breton South (Mr. Gillis) spoke in this house yesterday he suggested that we in this country might be pricing ourselves out of world markets. I wish to go on record as supporting that statement 100 per cent. I feel that is one of our great problems in this country today. The hon. member also made another statement with which I heartily agree. He suggested that the economy of this country was closely allied with the economy of the country to the south, and that whether we liked it or not, whatever might happen to that economy to the south of us will have a serious effect on the economy of this country.

We who live on the international border have known the truth in that statement for a great many years. Any disturbance that might take place in the economy of the United States will immediately affect the economy of Canada. Each and every day we read about overproduction. Many feel that overproduction might be the cause of the unemployment we are experiencing in this country. To my mind this is the greatest fairy tale that has ever been told, because in my opinion since this old world was made there has never been overproduction in anything. The only thing that is wrong is the price tag. In western Canada we have millions of bushels of wheat which we say is surplus due to overproduction. If you turn that page over you will see on the next page that 70 per cent of the people in this world are underfed. There never was overproduction of anything. The whole trouble lies in the distribution, and to a great extent the source of that trouble may be found in the price tag.

Speaking in Rome a few weeks ago the Minister of Agriculture (Mr. Gardiner) had this to say:

I do not think there is a country in the world today which can afford to buy some of our products at the prices our farmers must charge if they are to make a living.

I believe that statement would be endorsed by every hon. member in this house. That is one of our great problems. We have priced ourselves pretty much out of the domestic market and to a greater extent out of foreign markets. There is no one in this house who

would rather see a high standard of living in this country than I, but I believe we have reached the point where the price tag cannot be ignored by consumers in this country, and there has to be a reduction somewhere.

When that reduction is made we shall all have to tighten our belts a little. When that proposition is put to labour it does not appeal to them. I am not criticizing them for the stand they take, but we all have to get down to earth and make up our minds that we have to export. This country of ours can never be in a position where the standard of living is such that we can say we do not require to export a good portion of what we produce, and we will never be able to export unless we can get prices down so they compare favourably with exports from other countries.

In 1953 we found markets in the United States for about 60 per cent of our exports. At a meeting in Washington in December, 1953, government and business leaders agreed that 1954 would see a drop in the level of U.S. business activity which might well result in unemployment in that country reaching a total of 3,500,000. I have read forecasts claiming that it might amount to 4 million. If that should happen in the United States the economy of this country will certainly feel the effect in a very short time.

The incomes of primary producers in Canada have been dropping steadily for the past two or three years. There is no question about that. I would say they have dropped to a greater extent on the Atlantic coast line than in the central provinces. During the same period the workers in industry increased their earnings from a previous average of \$2,856 per annum to \$3,117. That increase took place in 1953. It seems to me there are seeds of trouble in a situation where the primary producers are obliged to take decreases year after year and at the same time increase the wages of labour. As I have stated previously, I am one who believes that the labourer should be paid for what he does and I have every sympathy with him, as I myself have done plenty of hard work. But I believe you can get to the point where there is too much of a variation between the cut the primary producer must take and the increase the labourer insists that he have. It must be more evenly balanced if we are to have a stable economy in this country.

Exports and primary producers' incomes have been falling off. Imports and unemployment are rising. However, labour incomes have established an all-time record. I wonder