

Unemployment

reflect our environment. As one authority puts it, we talk about the influence of the home, yet we fail to acknowledge the fact that many thousands of children in this country have in effect no homes at all but only broken and unfit homes. When they mature they tend to establish similar homes because they know of no others, and to produce in turn more neglected and abandoned children. Read backwards the story of delinquent youth, and observe how frequently it becomes the record of a delinquent society.

I believe this government has some responsibility regarding this question on two counts. First of all, I think it has a responsibility to the taxpayers of this country, because we must remember a good deal of money is spent as a result of the misdemeanours of juvenile delinquents. I think the most important question is the moral aspect of this problem. I believe this government has some moral responsibility which it must and should accept. Surely it would be better to salvage these children now by building proper housing in these slum areas, rather than pay for their crimes and delinquencies at a later date.

In his remarks the other day the minister said the manufacturing industry has maintained its output at fairly constant levels. At the same time he said that employment in manufacturing has dropped 5 per cent. He also said this represents an increase in productivity, which is all to the good and has a double-barrelled effect. Mr. Speaker, as far as the agricultural producers who have been buying farm machinery are concerned, it certainly has had a double-barrelled effect and they have felt the effect of both barrels.

The minister pointed out that this increase in productivity had placed the manufacturing industry in this country in a preferred position. He said it had put them in a very competitive position in our export and domestic markets. I suppose on the face of it that appears to be a pretty logical argument, that if you have a manufacturer who is able to maintain his output with less labour it means he is going to be in a competitive position so he will make more sales and will have to manufacture more goods. When he does that it will mean he will have to hire more men to produce those goods. Therefore the minister says this puts the manufacturing industry in this country in a strong position to increase employment in that industry.

However, the strange part of it is that the minister concluded his remarks by stating that this year the increase in productivity has meant a displacement of labour and has

added to our unemployment difficulties. In other words, he implies that last year was the first year the manufacturing industry has been able to increase its productivity at the expense of labour. Now, I just wonder whom the minister is trying to kid. I would like the minister to just try to sell that bill of goods to the agricultural producers in this country.

I suggest that last year was not the first year the farm machinery industry in the country was able to show a productivity gain. For example, in 1945 wages and salaries in that industry charged against the selling prices of machinery generally throughout the industry amounted to 42 per cent. Yet in 1950, only five years later, salaries and wages charged against selling prices of the same machinery amounted to only 27 per cent. In those five years the productivity of the industry generally rose over two and a half times, 2.6 to be exact. Profits in those five years, because of the productivity about which the minister spoke, increased generally throughout the industry by 223 per cent, and in the case of the Massey-Harris Company by over 300 per cent.

As a good example of what I am talking about, in 1946 a Massey-Harris 12-foot combine cost \$3,635. In 1951 the same type of machine cost the agricultural producer \$5,757, an increase of over \$2,000. Certainly there is very little excuse for the increases in the prices of farm machinery. It is not because of the quality of the machines. I can say without fear of contradiction that the quality of such machinery is the worst it has been in 10 years. Certainly it is not because of carrying charges involved because farmers are buying on credit. In that regard I remind hon. members that 97 per cent of all loans made under the Farm Improvement Loans Act were used for the purchase of farm machinery. The farmers of this country paid cash for most of their machinery. They paid the banks 5 per cent, and the government guaranteed the banks up to 15 per cent of the aggregate losses they sustained in any one year.

Therefore I fail to appreciate the minister's suggestion that labour or the consumer has gained anything from that kind of a deal. The future prosperity of our country depends on the prosperity of two groups, on the one hand the industrial workers, the white collar workers, casual workers and small businessmen, and on the other hand our agricultural producers. If these two segments of our society are prosperous the whole economy of Canada will be healthy and prosperous. The fact is becoming very clear to farmers and workers that in business and industry their