

the removal of people from these lands to the wooded areas in the north has produced a new problem equally acute. Because of it the government will have to make some very grave decisions in connection with this bill. From the point of view of those of us who are particularly interested in western Canada this is one of the most difficult problems which the Department of Agriculture and the Department of Labour will have to face. Much of this newly settled land is marginal and submarginal and even under normal conditions the people cannot make a living from it.

In my opinion agricultural settlement is no solution of the present problem. Industrial production is more or less elastic. As society's purchasing power increases, more industrial goods can be absorbed, but that is true only to a very limited degree of agricultural production. We cannot eat more than a given quantity of food in a given period of time, hence the settlement of people on new land to bring it into production will tend to present an even greater problem of surplus products unless we can find very much extended markets. I was reading a speech delivered about a year ago in the United States by the Secretary of Agriculture. I shall not quote his speech, except to say that in that address Secretary Wallace pointed out that with the machines presently available ten per cent of the workers in the United States could produce all the necessary foodstuffs and raw materials to maintain that country on a fairly high level of life, and that in all probability with the application of science and new machinery to agriculture, five per cent of the working population could achieve precisely the same result. I have a copy of that particular speech before me at the present time. Consequently, when we think of agricultural settlement as a means for overcoming the present condition in Canada we would seem to be leaning on a broken reed. I do not believe it is desirable from the point of view of Canada to build up in any part of Canada what might be called a peasant population. Our whole superstructure is based upon a relatively high standard of living.

Mr. ROGERS: What does the hon. member mean by peasant population?

Mr. COLDWELL: I mean an agricultural population with a relatively low standard of living.

Mr. ROGERS: Does that follow necessarily?

Mr. COLDWELL: Producing on their own farms the things that they need for their own sustenance. Even if we could visualize something of that sort, such a peasant popu-

lation must always try to secure some purchasing power in order to buy the goods that cannot be produced on the land. In order to do that, they must sell. Consequently if you increase the agrarian population to any extent, then the goods on the market that are saleable increase and tend to depress prices. Of course I look forward to the day when by an intelligent effort our people will have more purchasing power and a relatively high standard of living. But that is not in sight yet.

In connection with this particular bill I warn the minister that in my opinion the settlement of people on land either adjacent to cities or in more remote areas will not be a solution, even in part, of our unemployment problem. We must realize that in the past few years many people have moved from the cities to country districts. For example, I could mention the Loon lake area in north-western Saskatchewan where present day conditions are absolutely deplorable among the unemployed city people, many of them with some agricultural experience, who have settled in that new district and in other districts throughout the province. Therefore in connection with this bill this particular matter should be considered very seriously. Up to the present time we have had no explanation of the real meaning of words in the title and in the body of the bill and I should be glad if the Minister of Labour would inform the house, in a sketchy manner if he will, what is involved in the proposal to which I have referred. As agricultural incomes fall, unemployment becomes of course greater in the urban centres; consequently the concentration of our effort must be rather on raising the incomes of those who should buy, whose incomes have fallen in the past few years, in order that they may help to solve the unemployment problem in the urban centres by enabling them to purchase the consumable goods that can be produced in our factories.

Mr. ROGERS: The reference here to agricultural settlement is not intended to convey the impression that the dominion government now, with the information at its disposal, intends to go into any very large scale schemes of this kind. During the last few years there has been in operation a relief settlement scheme, and that particular phrase which appears in the bill covers that relief settlement scheme. Under that scheme agreements have been entered into with a number of provinces under which the dominion, the province and the municipality pay a fixed sum for the transfer of families on relief from the cities to the countryside. From the standpoint of the expenditure in-