

*Supply—Labour*

talking about for a long time, namely a national dividend. That is what it is. It is a form of income for the people of Canada which would give them a measure of security, all of them.

But in approaching this whole matter let me just say this, and I am repeating what was said by Mr. Walter Reuther in a speech at Windsor early this spring, which I believe is quite correct. He said what we have to prove to the world is that we in the western democracies know how to achieve full employment in peacetime, and that we know enough to link full employment in peacetime with full distribution in peacetime. That is the goal to which we are working. We will not achieve full employment in peacetime and full distribution in peacetime until we recognize the necessity of seeing to it that purchasing power, in quantities sufficient to buy what Canada produces, is distributed into the hands of the consumers in this country.

Now, you must also see to it that this purchasing power is distributed to consumers in such a way that it first does not pass through the channels of industry. Otherwise it is going to push up costs and reflect itself in prices, and you start the old spiral with which you can never catch up. That is the situation we have to face, and we might just as well face it. We have talked tonight about the unemployment insurance fund being overfunded now. By overfunding we are just forcing people to save. That is what my hon. friend from Simcoe North suggested. We are simply forcing them to save.

**Mr. Ferguson:** That is the stability of the world, saving.

**Mr. Low:** Then we have the Minister of Finance making a statement reported in the press yesterday to the effect that there is too much credit buying in Canada, that there is so much credit buying that it is going to adversely affect the stability of the Canadian economy. I ask the hon. member for Simcoe North and a good many others: Why is the Minister of Finance worried about credit buying today? Why is there so much credit buying? Because there are so many consumer goods to be bought that people have not the cash to buy them, so they are being urged to buy them on extended payment plans, a dollar down and a dollar when they can chase one up. There is the story. In other words we have worked ourselves now into a surplus economy, and the overfunding of the unemployment insurance fund does nothing more or less than aggravate the surplus condition in our economy.

[Mr. Low.]

Every time you go out and say to the people "We are going to force you to save", with the result that you overfund a fund, you are just creating more chaos with which the Minister of Finance has to deal when he talks to the Canadian people about some measure of stability for our economy. I think we have to use some sense in these things and get down to reality.

**Mr. Ferguson:** May I ask the hon. member a question?

**Mr. Low:** Certainly.

**Mr. Ferguson:** Is this the same plan that was introduced by your province when they could not pay their debts on their bonds?

**The Chairman:** Order. I would ask the hon. member for Peace River not to discuss the subject matter of the question put by the hon. member for Simcoe North.

**Mr. Low:** Thank you very much. I am saved.

**Mr. Ferguson:** Saved by the bell.

**Mr. Low:** All I want to say is that I think if we in this house of parliament would begin to merge and pool our brains we could work out a scheme for all Canada that would stabilize our economy and which would make it possible for us to achieve a full employment economy and hook it to a full distribution economy in peacetime.

**An hon. Member:** Carried.

**Mr. Low:** It is too important a matter just to say "carried", even though it is late. Let me say to the Minister of Labour that this is the most important problem facing the free world today. I agree with Mr. Walter Reuther when he says that if we do not solve the problem of achieving a full employment-full distribution economy in peacetime we cannot preserve freedom in this world. That is how important it is; and when I heard so many speakers tonight talking about security for labour I felt that we had better get down to bedrock and find some way of getting purchasing power into the hands of the consumers of the country so they can buy what we produce, and so we will have a full distribution economy.

**Mr. Gregg:** I think hon. members who have contributed so well and in such an interesting and constructive fashion to this debate would prefer me not to go into the various points in detail at this hour. I should like to do so on certain points of interest, but with respect to many of them the request at the end of the speaker's remarks was that the Department of Labour take the proposal into