

immediately halted, I think there can be a chain reaction which might be even more devastating than the atom bomb.

On behalf of my constituents I should like to say to the government that their real responsibility is not only to provide work for the unemployed, but to guarantee that Canadians now and in the next generation shall enjoy the benefits of freedom also in the economic sense of the word. One of the ways this can be done is by immediately reducing the tremendous tax burden which the people of Canada have to bear at this time, for it seems to me that cancer is gnawing away at the vitals of our free democratic way of life. Unemployment is certainly only one of the symptoms.

The Canadian people, from my knowledge of them, are a very patient lot. On August 10 they gave a vote of confidence to the Liberal administration. But it seems to me that confidence is not without limits and it may be, if the government persists in its taxation policies and is unable to solve the unemployment problem, that the time is not distant when a vast change in their mentality may take place, and they will ask for new brooms to sweep clean.

**Mr. J. G. Diefenbaker (Prince Albert):** Mr. Speaker, the debate so far has justified the amendment moved by the hon. member for Vancouver-Quadra (Mr. Green), the purpose of which is to bring before the house and the country a situation that is becoming more serious with the passing days and deserves the attention of the house. It was in that spirit that the amendment moved by the hon. member for Vancouver-Quadra was launched, to provide parliament an opportunity of placing before the government, through a committee, recommendations to meet the present situation. We are not political sadists who get any satisfaction out of the existing state of affairs, but we do believe the time has come to secure action on the part of parliament, too conveniently delayed for too long by the government.

Indeed, as one goes back over the years one can see that there was a similar situation in 1929, when conditions such as we face existed; but the government of that day failed to act, with a resulting depression within our country that took years to repair, if indeed it has ever been repaired. In 1929, when people throughout the country were asking for action, the speech from the throne read in part as follows:

The unprecedented prosperity which is apparent throughout the dominion affords cause for the deepest satisfaction. Never in the history of Canada has there been such industrial and commercial expansion as that which has taken place during

#### *Proposed Committee on Unemployment*

the past twelve months. The industry and enterprise of our people have been rewarded under Providence with an abundant harvest. In the production of agricultural and other basic industries all previous records have been surpassed. New records have also been established in the volume of construction and in the volume of foreign trade. Employment has been maintained at a high level and all indications point to a continuance throughout the country of the present favourable conditions. A notable feature of industrial development has been the continued advance and prosperity of the mining industry in almost every part of the dominion.

That was in 1929, Mr. Speaker, and those are the arguments now being used under similar circumstances. We have placed our amendment before the house in order that a select committee may be set up. The amendment to the amendment of the hon. member for Cape Breton South (Mr. Gillis) simply deletes a number of words and states that the serious and mounting unemployment situation now facing this country calls for immediate action by the federal government to prevent further economic distress.

There is nothing of socialism in that sub-amendment. I listened to my hon. friend place his plan before the house, and with the exception of an addition to the present unemployment insurance payments and the like, the purpose of everything in it would be to bring into effect a national planning scheme whereby all business in Canada would be in the strait-jacket of economic socialism.

As I listened to him asking that a law should be passed whereby when an industry finds itself losing money, when profits can no longer be made, the state should step in and cause that business to continue to operate, I thought of the government businesses established in the province of Saskatchewan within the last ten years. I thought of boots and tanneries, of woollen factories and the like. Those industries paid no taxes. They paid no interest on the moneys used by them; yet, unable to make profits, found it necessary to close down.

My hon. friend's general plan is simply an indication that those who have an "appetite for novelty and the passion of envy" believe that everything can be achieved through state action and state control. In the province of Saskatchewan power has proven an effective antidote to the influence of sentimental propaganda regarding the operation of business. The dreamland of theory disappeared in that province in the light of cold experience.

What we are trying to do is meet a situation that is becoming more serious with the passing days. We do not predict the oncoming of a depression. We hope the days will not again return when unemployment will be