

services, there is no advantage at all in exporting more goods than we import, for if we do we simply give the goods away. People seem to eulogize the idea of sending goods out to supply foreign countries, without giving a great deal of thought to the necessity and the wisdom of supplying our own people. I do not know just what part of our total trade is made up by our internal trade, but I think it is something like seventy-six per cent. We know that our people are not living at a very giddy height or on a very high average, so it stands to reason that if we found the means to do so we could consume within the country a vastly greater amount of goods and services than we are consuming at the present time.

The budget that has been presented by the Minister of Finance, which is similar to other budgets presented not only by him but by other ministers as well, seems to stress the matter of debt and rather develops the scarcity complex. The country might be thought to be in a state of siege when you hear many people in high places advocate that people should work harder and harder in order to produce more and more, while at the same time they are cautioned to consume less and less. In other words it is the process of tightening the belt. I think those suggestions are entirely out of date. We have entirely different conditions from those we had in past years or past generations, and we have to find newer remedies. In Canada, with our vast productive possibilities and our smaller consumptive realities, it would seem that we are afraid of allowing the Canadian people to trade among themselves. What is needed is more spending money, more money in the pockets of our people. One way to supply that deficiency would be to circulate money through various government works such as those which at the present time are being carried on on a small scale. I understand the government has plans to enter upon a more extensive works program. This is all to the good, although it may not be the best way to put money in the pockets of our people. For it has the effect of temporarily quickening the business cycle and as soon as the program has been completed we drop down to a condition of slackness or deflation. When referring to public works may I remind the government that there are no less than 25,000 houses in Montreal classed as unsanitary by the board of health of that city, and a similar condition obtains in Toronto. The same story would be true of many of our larger cities. While referring to the cities I do not

for one moment wish to leave the impression that people in the country, and particularly those on the prairies, are housed satisfactorily or in houses people may be proud to call their homes. Much more work could be done in connection with such houses, and particularly in supplying the inside conveniences.

In the problem of income or purchasing power we have two situations. First of all we have the inequality of income which has been brought about through various reasons which, had I time to do so, I could enumerate. All hon. members know there is great inequality of income, as shown by income tax returns. Secondly, there is at all times a shortage of money necessary to buy the total of goods on the market. That is an all important factor.

I am pleased to note that in the present budget the government has increased the tax on larger incomes. It could have gone further, but what it has done is certainly a step in the right direction. In 1927 and 1928 similar action should have been taken, but in those years instead of increasing the tax we found that the tax on incomes was reduced by ten per cent. When all is said and done our problem is to a great extent a money problem. Money is a man made device, made for a certain reason, namely to get away from the slow and tedious system of bartering. The purpose is to speed up the exchange of goods and services between one person or one body and another. To the extent that it does not fulfil this function, just to that extent does it fail. At the present time, with on the one hand our vast riches in potential and real wealth, and on the other the great numbers of poor and many approaching conditions of poverty, we must admit that money has failed. Otherwise we are enslaving ourselves to money instead of making money the slave to mankind.

I should like to support most heartily the suggestion made by the hon. member for Macleod to the effect that all people over the age of sixty years should, if they wish, be pensioned. I support the hon. member without hesitation because it is a fact that in Canada to-day large numbers of people cannot obtain work. Among those numbers we find many in the prime of life who would be better at work and are anxious to get it. The census figures prepared in 1931 show that 460,000 boys under nineteen years of age were at work. We know that about 200,000 boys and girls are graduating from schools each year with little hope of work. Yet, at the same time we find that more than 80,000 people over the age of seventy years are still