

*The Address—Mr. Eudes*

the central government, with the governments of ten provinces and innumerable municipalities, because of our constitutional system, of particular conditions affecting our economy, such as the need for export trade, of the nature of our production, of the fact that a relatively small population is widely scattered over a huge territory.

But is not that the opinion of the Prime Minister himself? Is that not what we may conclude from his statements before the last parliament and especially during the last election campaign? Did he not proclaim that if the country were to elect him with a sufficiently stable majority, he would solve this unemployment problem immediately? That majority he now has, possibly beyond his wildest dreams.

And now, Mr. Speaker, we are waiting and waiting anxiously for this promise to be fulfilled in order that our country may recover the economic balance it has lost since June 10, 1957.

The solution to this alarming problem of unemployment therefore rests squarely on the shoulders of the federal government. It would be unreasonable not only to believe but even to imagine that the governments of ten provinces, that municipal councils, in our cities and towns and rural areas, are capable in the least of influencing those factors which affect our national economy, those innumerable factors which are the immediate or remote superficial or deep causes of this preposterous situation. How is it that in a country as prosperous as ours, as well endowed with every kind of possibility, 10 per cent at least of our workers now find themselves without a job?

Of course, if it were possible to determine with mathematical precision the basic cause of unemployment, the problem would be much easier to solve.

However, the causes are numerous and interrelated to such a point that it is practically impossible to say with certainty which is the most important, the one which has set the others into play.

Economists agree, and rightly so, that the immediate cause of unemployment is the excessive unsold inventories intended for the domestic market, or for export markets which are considered as absolutely necessary and as a constant prerequisite to our economic balance . . .

**Mr. Harkness:** What are you reading now?

**Mr. Habel:** You had better continue reading yourself.

[Mr. Eudes.]

**Mr. Eudes:** You wish to know what I am reading? Those are my notes . . .

**Mr. Harkness:** You are doing quite a bit of reading now; what were you reading from?

**Mr. Eudes:** Those are my notes.

**Mr. Harkness:** Did you write them yourself?

**Mr. Eudes:** Yes.

**Mr. Harkness:** That is fine!

**Mr. Pickersgill:** I think it is great!

**Mr. Eudes:** Indeed our farmers, our fishermen, our manufacturers are producing much more than we can consume here in Canada. Now when this failure to sell our products reaches a certain level it causes an economic disorder: overproduction.

I use the word disorder purposely because overproduction is a sign of disorder, disorder in the minds of producers who, in their estimations, too often forget the essential action of the law of supply and demand, disorder too in the minds of men who having sought, obtained and accepted the difficult task of managing the affairs of the country should now channel our production so that it may find outlets on the domestic market as well as on foreign markets.

Is there no disorder when there is overproduction?

Let us think for a moment of the needs of those millions of people scattered over the world who lack the essential things for their immediate requirements, let us think of this being called man, perhaps a Canadian, whose needs are not only unfulfilled but far from adequate.

This overproduction and this sales slump of our products are necessarily due to lack of purchasing power both at home and abroad.

But then what is, in turn, the cause of this lack of purchasing power? The causes are manifold: first, unsound production programs, based not so much on the needs and desires of the consumer than on the producer's stubborn idea of forcing the public to buy through middlemen and advertising, thus involving expenses that double the actual cost price. Unsound commercial policy, neglecting external markets that might be excellent outlets for the disposal of our products while favouring others, often from sentimental reasons, that actually bring us only rather embarrassing customers. Unsound programs