

young men coming up in our big centres of population who will, like many in the Old Country, have no occupation and no desire to work.

As has been stated before, the unemployment problem will be with us even after we have a moderate return of prosperity. The "iron man" has, through the application of scientific invention to industry, and even to agriculture, displaced so many men that it will be impossible to find work for everybody for years to come. Our vacant lands and our great natural resources must supply the opportunity for those who cannot be employed otherwise. Unless the Government takes the responsibility of creating state enterprises, it will encourage a degeneration of our citizens, who, after all, are our greatest assets. Canada has ample lands and resources. The opportunity is here for the Government to lead the way by constructively organizing different national enterprises to enable the unemployed to make themselves useful citizens, and at the same time to bring rewards to the state in increased production of gold, oil, foodstuffs, and, best of all, in restored manhood. In short, the Government has the opportunity of leading the nations of the world into economic recovery.

Hon. JOHN LEWIS: Honourable senators, I desire to join in the congratulations to the mover and the seconder of the Address in reply to the Speech from the Throne, and if I do not add anything to what has been said in this connection it is because I want to borrow language far more felicitous than my own.

I agree with the honourable gentleman who has just taken his seat that the question of unemployment is by far the most important one that is now before the country, and I think we ought to acknowledge our indebtedness to him for the suggestions he has made, whether all of them may be workable or not.

I had intended to defer any remarks I had to make on the Imperial Conference agreements until they were before us, but as it is possible we may not have them here until near the close of the session, I have decided it is better to speak now. I am all the more willing to do so because I do not intend to discuss the details or to make any predictions as to the possible benefits to accrue from those agreements. I apologize for falling into my bad habit of reading, but on the whole I think the House will get some relief in this way, because it tends to brevity.

Whatever may be said at this time in praise or criticism, however we may analyse the ingredients of the pudding, the proof of the pudding will be in the eating. I am an optimist about the matter, and I hope that things will be no worse as a result of the Conference. But the agreements must be tested by the results. A year or two hence we shall be in a better position to judge whether the glowing hopes of the present will be fulfilled, or whether the outcome will be similar to that of the promises made by the Prime Minister and his colleagues in the summer of 1930.

I observe that the Montreal Gazette takes a sober if not sombre view of the grain preferences. It says:

The grain preferences remain the outstanding gains so far as this country is concerned. Western producers have expressed a curious indifference toward this advantage, failing to realize, apparently, that what may be of slight benefit to them under existing conditions may very well be importantly advantageous in a different set of circumstances in a few years from now.

That is putting the time a little further forward than I should prefer.

I confine myself to the general principles which should govern our relations with the rest of the British Empire. Generally speaking, I am in favour of those provisions of the agreement which enlarge trade, and against those which restrict trade. In that respect I concur with what was said by Mr. Baldwin at the opening of the Conference:

Reverting now to Empire trade, we hope that as a result of this Conference we may be able, not only to maintain existing preferences, but in addition to find ways of increasing them. There are two ways in which increased preference can be given—either by lowering barriers among ourselves or by raising them against others. The choice between these two must be governed largely by local considerations, but subject to that, it seems to us that we should endeavour to follow the first rather than the second course. For however great our resources, we cannot isolate ourselves from the world. No nation or group of nations, however wealthy and populous, can maintain prosperity in a world where depression and impoverishment reign. Let us therefore aim at the lowering rather than the raising of barriers, even if we cannot fully achieve our purpose now, and let us remember that any action we take here is bound to have its reactions elsewhere.

This is the principle underlying the Liberal policy of Imperial preferential trade. The first step in that movement was the Fielding budget of 1897. The measure was one wholly of reduction of duties. Mr. Fielding expressly repudiated the idea of demanding that Great Britain should tax wheat or other