

wear there has been no increase. I have talked to a number of people in that line of business, and they tell me they do not contemplate there will be any important increase in the price of that particular commodity, one which, of course, constitutes an important item in the cost of living.

I think, if hon. members will look over the list of goods which have been removed from control, they will find that in the vast majority of cases prices have not increased. Undoubtedly they have in other cases. We knew they would; we expected they would. We could see no alternative to allowing them to rise.

My hon. friend referred to chocolate bars. Well, I hold no brief for the manufacturers of chocolate bars; but when he points out that children in Detroit can buy them cheaper than they can be bought by children in Canada, let me say to him that, while that may apply to chocolate bars, if he had spent any time in the United States in recent months he would appreciate the fact that that does not apply generally; and I know he would readily agree with that.

Mr. COLDWELL: Yes.

Mr. ABBOTT: Nevertheless I think hon. members must appreciate that we cannot entirely escape the effect of increased price levels in the United States, because we import tremendous quantities of goods from that country, whether in a partly finished state or as raw materials. We simply cannot escape it.

As I said a minute ago, we must face up to the realities of post-war conditions. I am satisfied that some increase in prices is inevitable. We have been attempting to follow a policy of orderly decontrol, and I believe we have achieved a reasonable measure of success in that policy. Like my hon. friend from Rosetown-Biggan, I have been interested in the changed tone indicated in some of the newspapers in this country, which not long ago were urging us—yes, not as long ago as July, 1946—to throw off controls, pretty much as they did in the United States, and in the last two or three weeks I have been interested to note how the tone of those newspapers has changed, and that they are now urging greater caution upon businessmen, merchants and industrialists to restrain themselves in increasing prices. I think that is desirable. In my view it is important that businessmen and others who are merchandising products should exercise restraint, and I am glad that business in this country is taking that line.

In the matter of profits, I would be the last one to rise in my place and attempt to justify excessive profits on the part of anyone in Canada. My hon. friend has cited a number

of examples. I have seen him use before the method of selecting special companies and giving illustrations of striking percentage increases.

Mr. COLDWELL: I could have given many more.

Mr. ABBOTT: He gave one figure which I believe he said he had taken from the *Financial Post*, where it was indicated, if I remember correctly, that the average profits of the companies the *Financial Post* had listed were some thirty per cent up.

Mr. COLDWELL: Sixty companies.

Mr. ABBOTT: Yes, in some sixty companies. That is an appreciable increase. But I should not think that would be considered an increase too much out of line if, as I believe to be the case, there was a substantial increase in the volume of sales during that period. I put to him the question as to whether he had any figures showing sales of those various companies, rather than the percentage increase in profits. He did not have those figures, and of course I would not have expected him to. But the sales figures would be significant, particularly if he is using the argument with respect to higher profits being the reason for higher prices. I do not believe that is the case. It would, perhaps, have some effect, but I am certain that if you took all the added profits over 1945 and added them to the volume it would not account for any appreciable percentage of increase in the price of goods.

Mr. COLDWELL: I did not attempt to restrict that to newsprint.

Mr. ABBOTT: You can restrict it to newsprint if you want to.

Mr. COLDWELL: Does the minister not think it would be in the interests of our economy generally if, as production and distribution increased, if, as the volume increased, prices were reduced?

Mr. ABBOTT: I agree 100 per cent with that. I think the wise industrialist of this country, as his volume increases and presumably as he is able to increase his efficiency, should reduce his prices rather than increase them. I am the last one who believes that it is either proper or, to put it on its lowest level, good business to try to charge all that the traffic will bear. I agree with the hon. member on that.

While the balance sheets of a good many concerns have shown striking increases in profits over those of the past year. I believe that the greater portion of that is due to increased volume. I have no doubt that in