

*The Address—Mr. Maltais*

dollar saved on the latter account and credited to the defence account would add one iota of effectiveness to the means already taken to fight inflation.

I am much more inclined to believe, as Pierre Vigeant has already written in *Le Devoir*, that "economy and rearmament are irreconcilable." I am not sure, moreover, that Mr. James Muir, head of the Royal Bank of Canada, did not speak some words of truth when he stated at the annual meeting of the Royal Bank, held in Montreal last January 11:

(Text):

The importance of choosing the right kind of policy to combat inflation is hard to overestimate. But it is important also that we should not make our problem bigger than it need be, by a disproportionate expansion of military expenditures. The allocation of armament expenditure is a job for military experts; but the over-all size of the defence program, like war itself, is as Clemenceau once said, too important a matter to be left to the generals.

(Translation):

By way of digression, may I add that the signing of a truce in any international conflict entails consequences too serious to be the result of a defiant propaganda and false prestige. An honest compromise would be better than an inadequate measure that would only adjourn the problem instead of settling it.

But, to return to my previous remarks, the Prime Minister stated in this house: "We all share the concern caused by inflation".

Some time later, the Minister of Finance stated that the control of inflation required not only government action but also the co-operation of all classes of society, with respect to prices, profits, wages, production and the economy.

Mr. Speaker, anyone who, in the slightest degree, has any sense of observation can clearly see that the Canadian people are making tremendous sacrifices at the present time, in order to complete our collective program to safeguard our democratic and Christian way of life. Those who are fighting in Korea and those who are now serving in Europe under the command of General Eisenhower prove that we are ready to defend our liberties if need be.

Nearer to us still, who will deny all the privations endured and the worries felt by many Canadian families either because of too high taxation, or because they lack comfort or even security? In other words, Canadians are doing their share.

But although the large majority of Canadians hold it a sacred duty to preserve and to defend what was built by Christian civilization while accepting at this time the troubles and inconveniences of the international situation, it seems that a certain section of our capitalistic system—and I mean the large corporations set up during the last century—is not always aware of the humanitarian and social role it should play in a democracy.

These capitalist institutions have operated too long with an eye to production and profit only. The time has gone when we could cling to old systems and ignore the rights of those who toil and suffer and when we could hide behind the materialistic and even selfish principles whose supreme law was: production for profit when poverty, insecurity and consideration for the human element were of secondary importance. Because our capitalist system has failed to fulfil its moral obligations, we have seen the emergence of all those doctrines such as pseudo-socialist regimes or political parties which are all of one breed and inevitably lead to communism.

Our social legislation is but a new word to meet needs as old as mankind. In this respect capitalism's inertia can hardly be excused.

The struggle the democratic countries are now undertaking against the forces of evil, besides requiring a common effort, must enable us to correct situations which must be remedied. A hope can only be replaced by a broader one.

Was it not the Right Hon. R. B. Bennett himself who more than a decade ago said, as reported by André Roy of *l'Action Catholique*, of Quebec city:

We must reform the economic regime. Important economic and social changes have taken place in the life of all nations and have seriously threatened this regime. To satisfy the exigencies of the new social order, capitalism must therefore change if it is to continue to serve our interests.

In view of those remarks, I am fully justified in stating that the large corporations have also a part to play in the fight against inflation which concerns each and every one of us.

If the average Canadian citizen must tighten his belt in order to overcome the crisis which now affects us, there is all the more reason for the large corporations to temporarily sacrifice that part of excess profits which puts certain goods beyond the reach of the average buyer.