

Unemployment

it disappears in the form of interest. One might multiply this example by the millions—perhaps the billions—involved, because the example I have taken is one of the smaller companies. For example, General Motors Acceptance Corporation is a much larger company doing the same kind of business. Traders Finance Corporation Limited and Trans Canada Credit Corporation Limited are two others. Multiply the borrowed dollar by two billion, and realize that every time it turns over four and a half times it exhausts itself by way of interest, and you can see how the present economic system contributes to the disappearance of the purchasing power of the Canadian people.

That is only one thing. We have in addition ordinary industrial profit making. Let me say here at once that I am not complaining about the making of profits by industry, nor do I complain about what is described as free enterprise, so long as it is free. But there is actual profiteering going on. These figures bear it out; and we know that every year, particularly since 1946 when price controls in Canada were lifted, there has been an increasingly greater rate of disappearance in the purchasing power of the Canadian people. That shows how our economic system works, and some of the disabilities under which the ordinary person in Canada has to live.

What are some of the ways in which that situation can be remedied? It has already been suggested by various hon. members that we should increase our social welfare payments as one of the methods of restoring purchasing power to the ordinary people of Canada. I am all for that. To the extent that we can increase such things as old age pensions, family allowances, war veterans allowances and other forms of welfare payments, to that extent we are helping to solve the problem by placing more purchasing power in the hands of the people. I note that in their submission to the government last fall the railway brotherhood suggested that family allowances should be increased a flat \$2 in each category to make them \$7, \$8, \$9 and \$10, instead of \$5, \$6, \$7 and \$8, as they are now.

These things are all to the good, but I do not think it is the whole solution. Something will have to be done to restore to the hands of those who have lost it the management of and participation in the way the capital they created is to be used. There are two main ways in which that can be done. One of them, of course, is through public ownership. I have no hesitation in saying that any time we want to deal effectively with our monopolies and combines in Canada it will

[Mr. Zaplitny.]

not be through the present Combines Investigation Act. It will be through public ownership of such monopolies.

The other method is the co-operative method. That is one of the finest ways in which we can restore to the hands of the people who create the capital, the management and control of that capital. I understand that in Nova Scotia some progress has already been made in that field. I would hope that whatever this government can do, whatever this parliament can do, to encourage and assist people to use the co-operative method of production and distribution, to that extent we shall be helping to bring back into the hands of the people who create the wealth the management and control of that wealth.

I realize that this would require a departure from the economic philosophy of the present government. It has always been a matter of regret to me personally that in the ranks of the Liberal party, among whom are many men I admire a great deal, there has been a tendency toward greater and greater conformity with the official position of the government. There was a time within my memory—and I have been a constant reader of *Hansard* for over 20 years—when there were a few rebels or left-wingers in the Liberal party.

Mr. Martin: All progressives.

Mr. Zaplitny: I can remember the Minister of National Health and Welfare when he was a private member back in the early days. He used to rise quite often in his place in this house and agree with many of the things that were said by the former leader of the C.C.F. party, the late J. S. Woodsworth. I can remember the hon. member for Rosthern (Mr. Tucker) when he was a new member of this house, before he fell to the temptation of leading a political safari from Saskatchewan, when he was a great reformer in various respects. In some ways he was a bit of a monetary reformer in those days. For example, I can remember the hon. member for Spadina (Mr. Croll), before he came into this house. He played the roll of a Simon Bolivar at Queen's Park when he broke with Hepburn on the labour question. As a matter of fact he is one of the few left-wing Liberals in this house who came to scoff and remained to scoff. It seems to me that the others have submitted to the dead hand of conformity and are no longer willing to challenge the status quo.

Mr. Martin: That is not what the *Montreal Gazette* says about the Minister of National Health and Welfare.