

prepared to accept somewhat lower prices because other prices and costs are, also, still somewhat lower in Canada, and because our farmers wish to secure a long term policy of stabilization of farm prices.

Why not subsidies?

We already hear protests, in certain quarters, that the farmers are expected to bear the burden of lower prices for the rest of population. It is asserted that the government should let farmers get world prices, and that prices to Canadian consumers should be kept down by means of subsidies. The example of Britain is frequently cited in support of this proposal. In this connection, it is important to note that the British government has announced it will provide no additional subsidies for this purpose. There are many of its own supporters who openly maintain that the existing burden of food subsidies in Britain is too heavy.

Reasons for increased prices

Actually, two factors have combined to account for the larger part of the increase in Canadian prices since the war. One has been the removal of subsidies. Subsidies were removed, to help to give the people a substantial measure of relief from wartime levels of taxation.

The other factor which has sent up Canadian prices has been the much more rapid rise of world prices, and, especially, of prices in the United States. Everyone must surely agree that it is impossible to avoid having Canada's price structure influenced by prices outside Canada. Canadian prices are affected particularly by prices in the United States. This is inevitable since we draw so large a part of what we consume from that country, and since our producers sell such a large volume of goods in that country.

Our price level cannot diverge very widely from the American level without creating unbearable stresses and strains between classes and interests in Canada. Incidentally, the devaluation of the Canadian dollar would still further increase the cost of living in Canada. Yet, devaluation is the only solution offered by one of the Opposition parties to the exchange problem.

While we cannot keep Canadian prices widely different from American prices, what we can do, what we have tried to do, and what, so far, we have largely succeeded in doing, is to prevent the extreme rises which have taken place across the line, and the much more extreme increases which other countries have experienced.

Public outcry against rising prices

It is not surprising that the rise in prices should have given rise to indignation and accusations. As I have already said, human nature would not be human nature if people did not cry out against a condition of things which, in difficult times, makes life still more difficult for almost everyone. It is not to be wondered at that special interests which are believed to be responsible, and governments, too, should be subjected to all kinds of abuse, and misrepresentation of their powers, as well as of their motives.

In certain quarters, we hear that the rise in prices is due to profiteering; that the country is in the grip of monopolies and combines which the government ought to destroy. In other quarters, we hear that the government itself is seeking to protect this and that special interest, regardless of what the effect may be upon the general interest. When, in the light of the knowledge it is in a position to obtain, the government imposes new controls, or restores old controls, its action is ridiculed as being too late, or as a "cruel practical joke". It is at once claimed by some that the government's action goes too far, by others, that it does not go far enough. All this, as I have said, is natural enough; and perhaps, where political parties may be looking to votes at some future contest, that kind of declaration is inevitable under any democratic system of government.

Cure for profiteering

How then is the present situation to be met? Without doubt there are abuses, and they may be more widespread than we realize. No doubt, on the part of some, there has been, and continues to be profiteering. As long as human nature remains what it is, there will be selfish, as well as unselfish people in the world. Mean men, where opportunity presents itself, will seek, at the expense of others, to profit by their own meanness.

Clearly, the task of all right-minded citizens, the task of governments and the task of Parliaments is to make this sort of thing impossible, or as nearly so as it can be made. It is to cope with such situations that certain controls were recently re-imposed, and that others have been retained. To retain the necessary power to deal with such conduct in the coming fiscal year, we intend, as already announced, to ask Parliament to continue the Wartime Prices and Trade Board in being after March 31st.

Here I wish to draw attention to something I have all along believed, and asserted. It is that however mean and contemptible individuals may be in their private lives, there is nothing they abhor quite so much as the exposure of their meanness in public. One other thing I have long believed and asserted, is that for social evils, or anti-social behaviour, publicity is a much more effective remedy than penalty. This is the philosophy on which the Industrial Disputes Investigation Act and the Combines Investigation Act were founded. When the glare of an aroused public opinion is properly focussed upon industrial or social wrongs, the latter are likely to disappear, just as certain types of malignant germs cease to exist when exposed to the rays of the sun. What is all important, however, is not merely that public opinion should be aroused, but that it should be intelligently informed. A misdirected and misinformed public opinion may work an even graver injustice than some continuance of an evil itself. It is easy to arouse public opinion and indignation. It is not quite so easy to make sure that the public is intelligently informed.