

Surely it is true that the concerns which are making excess profits are those which can best stand taxation, and they should be taxed much more heavily on excess profits than on ordinary profits which are not excessive. It is true that the large excess profits which were made during the war may not be made to the same extent during peace time, but I believe that when industry becomes fully adjusted to peacetime production, and materials become more plentiful, with the tremendous demand for all kinds of goods both at home and abroad excess profits will be high for at least a few years.

One of the arguments used by corporations is that, if not exempt from excess profits tax, they will not have the capital to expand and create employment. I am of the opinion that we have listened altogether too long to this argument, and we have encouraged the expansion of the large corporations to the disadvantage of the smaller business concerns which are in much greater need of encouragement for necessary expansion. It is a well known fact that any city or town is in a much better position if it has a number of small industries operating in it than if it has just one large industry operating, upon which the city, town or community is entirely dependent. I am of the opinion that small business concerns should be given greater encouragement to expand, and that large business corporations which are making excess profits should be heavily taxed.

I am firmly convinced that if we are to retain our present system of private ownership of industry, big business, cartels and large financial corporations must be controlled to a much greater extent than they have been in the past. If they are not controlled our system of private industry will pass out and be replaced by government ownership of industry. The people of Canada will no longer tolerate the control of the financial affairs of this country by cartels, big business and large financial corporations, and I know of no better way of controlling them than by taxation.

Since the war ended, there have been elections held in eight European countries. Prior to the war these countries were under very strong capitalistic control. In each and all of these countries there has been a definite swing to the left. When we see what happened in Great Britain when she swung from a strong Conservative capitalistic government to the other extreme—a strong socialist government—let us not go away with the idea that “it can’t happen here”. We are making a great mistake if we close our eyes to what is going on in practically all countries in the world to-day with regard to the world-wide feeling

that exists in demanding greater freedom from capitalistic control. The great danger is, as history has proven, that nations struggling for freedom usually swing to the other extreme, centralizing their power in the government at the expense of the individual, so that the people bring upon themselves slavery instead of freedom. This has always been true when too great a power has been centralized in governments, and that is the great danger that we are facing to-day.

I am not entirely opposed to government ownership. I believe in government ownership of public utilities, but I am opposed to government ownership of private industry to the extent advocated by the C.C.F. party, and especially so by its extreme element who are rapidly getting control of the party.

I am sure that the people of Canada do not wish to have an extreme socialist government take office in this country. To my mind, the only way of preventing this is for the government to take a definite and decided stand on this question of the control of the moneyed interests in Canada. If this is done, we shall be able to retain our present system of private industry, which I feel all liberty-loving people of Canada would wish to retain.

Mr. H. R. JACKMAN (Rosedale): Mr. Speaker, the budget is always looked forward to as a document of extraordinary interest, for now it is not what our services bring in the open market but what the government lets us keep as “take-home pay” that really matters. In fact the government is gradually getting itself around to the point of view that it is not the people who create the wherewithal by which we live, but the all-powerful state that suffers us in our various capacities and makes all things possible. While we are duly appreciative of the opportunities which living in a community gives, most of us know where we would be if it were not for our own endeavour, sacrifice and hard work.

How did we manage our affairs in this country last year? We spent \$4,691 million and we took in \$2,955 million. The over-all deficiency was \$1,736 million. This amount we just added to our debt. The war was on for part of last year, and during a war the only thing that financial figures do is to measure how much we can possibly turn out, for money is no object when it comes to winning a war and it would be foolish to let it be so. The creation of so much debt year after year does leave a painful aftermath, and that is the real reason why we are having so much trouble in holding down the price ceiling and warding off inflation.