

Mr. SMITH (Calgary West): What company is that?

Mr. GILLIS: The Algoma Steel.

Mr. THOMAS FARQUHAR (Algoma East): Mr. Speaker, I wish to speak briefly on this debate in the hope that we may get a vote to-night. I think we in this house and the people of Canada generally agree that the Minister of Finance (Mr. Ilsley) did an excellent job during the war years. Even his most severe critics, if they are fair and reasonable, will admit this fact. To my mind, one of the most difficult jobs has been the control and regulation of prices. No government in the world has made the success of regulating and controlling prices which the Minister of Finance has achieved under the direction of the government of Canada. This fact is recognized not only by the people of Canada but by all other countries. It is well known that the officials of other countries came to Canada from time to time during the war years to make an investigation of the successful working of our regulations governing price controls and have copied and put into effect similar wartime regulations.

No one in this country wishes to have controls maintained unless it is absolutely necessary. I believe, however, that even in peace time it is necessary at times for the government to maintain control to some extent in order to prevent some classes from taking advantage of other classes who are not in a position to defend or protect themselves. It will be noticed that it is the big interests and their representatives in this house who are crying for the removal of all restrictions on both ceiling and floor prices of all manufactured goods and produce; thus allowing them to find their natural levels.

We passed through that experience after world war I with a result that many of us will not soon forget. We paid dearly for the experience and we certainly do not wish to have it repeated at this time. The farmer was a great sufferer at that time because he was at the mercy of a more privileged class who were in a better position to control the situation.

I should like to mention what happened in one particular line, the sale of beef cattle. Good butcher steers were selling on the Toronto market at uncontrolled prices in June, 1920, at \$15.02 per hundredweight, and this price dropped to \$5.61 per hundredweight in November, 1921. Many farmers who had bought and raised cattle at the higher cost suffered such serious losses that they were many long years in recovering, if they ever recovered. There is

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no question that if the restrictions were removed now we would have a repetition of what happened after world war I.

For that reason, I trust that the government will pay no heed to the cries of those who represent the big interests in this house for the removal of all restrictions, on both ceiling and floor prices. This would be most disastrous until the danger period of price fluctuation has gone by. Farmers are not unreasonable in their request for fair, stable prices for their products, but they do want some assurance of a permanent price for farm products. In order to give the farmers that assurance, floor prices must be maintained permanently. To my mind, there is no other way of giving the farmer that assurance of permanent farm prices which will assure him a reasonable and fair share of the national income, without which we can never hope to maintain a high standard of living for the people of Canada.

Farming, which is our basic industry, must be profitable if Canada is to be kept prosperous. We must not lose sight of this fact. We must continue to work for unrestricted world trade. It is true that if this is to be brought about, other countries will have to make concessions.

It is also interesting to note that the people of Canada are getting away from the Conservative idea of high tariffs and are working for freer trade with all nations. No longer can the Progressive Conservative party persuade the people of Canada that high tariffs are necessary to the economic life of Canada. That day has passed away, and the Conservative party has almost passed away with it in most provinces. I believe that nothing would have a greater or more far-reaching effect upon international relationships than a freer exchange of goods with all nations.

Another question to which I wish to refer briefly is the reduction in excess profits taxes. It matters not by what name this tax is called. You may call it corporate income tax, excess profit tax, or any other name you wish to call it; the fact remains it is excess profits.

I have heard no argument which has convinced me that excess profits should not be heavily taxed. It is true that this tax was imposed in order to prevent manufacturing industries and business generally from making large excess profits from war-created gains. But why in peace time should business be allowed to have unreasonable excess profits exempt from taxation? Is it not just as important and just as reasonable to have high excess profits taxed in peace time as in war time? Is there a more just tax or a more just source of revenue than a tax on unreasonably high profits?