

ask him a question with regard to future policy. During the war years the minister proceeded on the assumption that those doing a worth-while job should receive adequate compensation. Will the same principle be continued in the years ahead? I have in mind the national research council. Some of Canada's brightest minds stayed here at great sacrifice throughout the years of the war, and it has been demoralizing for many of them to be frozen at pre-war incomes during the war, while temporary people with very little experience were drawing higher salaries. A friend of mine has been doing an important job, and at the same time a college graduate just out of university was engaged at a salary \$600 a year more than my friend was receiving. Hon. members will appreciate how demoralizing it must be for a well equipped man who has been doing a very important job for nearly twenty years to find himself in that position. Has the minister anything to say as to whether we can expect at an early date that decent compensation will be paid those who are doing such jobs in his department, taking into consideration their experience and qualifications?

Mr. HOWE: The scale of salaries in the Department of Reconstruction and Supply will be similar to that in every department. It will be determined by the treasury board. I am not revealing any secret, however, when I say that the cabinet is studying at this time the salaries of technical employees, and I hope that as a result of their study there may be some adjustment in salaries.

Mr. SMITH (Calgary West): I hope that what I have to say is relevant to this section because it deals with ministerial powers. What I have in my mind perhaps goes just a little bit beyond that. In the view that I hold, the future of the economy of this country consists in a tripartite partnership of labour, industry and government. I know it is very easy for industry to say—and the parrot cry is usually used—let government keep its hands off.

There are many stupid people in this world. They are not confined to the professions, or to labour. I think it applies to industrial people as well. The thought that I have in my mind is this, that those of us who adopt that extreme, and, in my judgment, foolish view, overlook a great deal of history that we have in this country. Strange as it may seem, I am coming in a moment to support the minister and ask him to extend his operations just a little bit farther. What I have in mind is this: Take the province from which I come. I suppose our greatest industry is

that of growing grain. For many years we have had a board of grain commissioners. They have settled the difficulties between companies and farmers, between farmer and farmer, and between company and company. This has been going on for at least twenty-five years; yet we have not heard any complaint from that industry. Take another industry, that of transportation, one of the largest we have. The railway companies—and we now know that this has been true for a great many years—may publish no freight rate on an article from here to Prescott where our honourable whip entertained me last week-end, without the person affected being able to apply to a board, and apply cheaply, to have that rate determined on the basis that it should be. Let us also remember that they cannot even close a station, cannot let a telegraph clerk or a station agent go, without the approval of the board of transport commissioners.

Take the business of insurance which extends all over Canada. No one can write an insurance policy in any of the various provinces without a licence. Perhaps we might have a little economy there. We have nine provincial insurance departments and one dominion department. I know the privy council went a little cock-eyed and refused to permit the dominion to maintain the whole position which, of course, it should do. Take the second greatest industry in our province, that of the mining of coal; there we have a Mines Act. It is modelled on the British Mines Act. That Mines Act is a code for everybody from the general manager down to the boy who opens the doors to permit the trip to go through and then shuts it so that the air may travel in its proper place. I mention these things because some people say: "Let government keep its hands off." Government has had its hand in the regulation of business in this country for the last twenty-five or thirty years. We do not hear a complaint from an insurance company, a grain company, a railway company or a coal mining company. I say that to dispel certain fears which are in the minds of people who do not know the history of business in their own country.

Therefore I say to the minister—the chairman is wondering when I am going to develop my argument—I do not believe in government ownership. I have tried to make that plain, but I believe in government regulation, interference—if you want the dirty word let us use it—where things are not right. Monopoly in itself is not bad, but when monopoly takes advantage of its position—

An hon. MEMBER: Oh, oh.