

even now the government's own agencies are circularizing the employees of the government, warning them that they ought to buy annuities in order to avoid becoming objects of charity from their relatives or the community in the future.

In spite of the pious platitudes about adequate prices for primary products and full employment, there are unmistakable signs that unemployment and perhaps also ruinous farm prices and poverty are in the offing unless we do more than explore international agreements and domestic measures in the hope of making some undreamed-of discoveries. We dare not delay in formulating policies and programmes that will protect our citizens from the scourges of unemployment relief and poverty. We have found billions annually for the destructive, wasteful and yet very necessary purposes of war. We must assure our people that we can and will find billions annually for the constructive, life-giving and equally necessary purpose of the peaceful development of our land.

Let us not put off the doing of it any longer. Instead of merely appointing a select committee on reconstruction and reestablishment, let us appoint a representative body—and by that I mean really representative, one representative of labour, agriculture, industry and all the principal fields of endeavour in our country—and let that representative body be a body of national planners, as it were; with this addition, the definite commitment by this parliament that Canada is prepared to accept from that body a programme of national social economic development upon which this parliament will spend, in cooperation with the provincial authorities—and I mean that this parliament will appropriate the sum of money—an amount, let us say, of not less than \$5,000,000,000 in the first two years after the cessation of hostilities. With that national appropriation in sight the exploration of appropriate domestic policies could proceed with reality, and the boys now fighting our war would have an assurance that we were in earnest regarding expressions of faith in a new and better world. This, may I say, is not a proposal for priming an economic pump. On the contrary, it must be part of a national policy formulated for the social development of our resources and to prevent a return to pre-war capitalism which will mean inevitably a return to pre-war poverty. We dare not continue to allow this nation to remain under the control of monopolistic private enterprise, the power of which has grown apace during this war.

Two things, then, are necessary: first, the pledge of the appropriation of funds sufficient

to enable us to undertake immediate post-war national social development projects of housing, electrification, irrigation, reforestation, road building and so on; second, plans for the post-war conversion of publicly-owned war industries and machines for the production of peace-time goods and services. These together with monopolistic industries and financial institutions, which must be socialized, and the development of cooperative institutions, would provide us with the means for the long-term planning of our economic life for the benefit of all.

But can we even hope that the present government will plan constructively for the post-war period? Even during the present war we have had no over-all plan for the effective mobilization of our resources. We have the conscription of man-power for the army, but we have failed to apply the same policy to industry and wealth. The report of the war expenditures committee of this house, presented on Thursday of last week, should not only give us food for thought but jolt us out of our complacency. On the subcommittee which drafted the recommendation to which I wish to draw attention there was no member of this party, but the report confirms the misgivings we have expressed from time to time since the war began. Note this recommendation:

That as soon as company financial statements are available for the year 1942 a special study should be made of profits, accelerated depreciation and corporate taxation. The question of excess profits and accelerated depreciation has caused the subcommittee considerable concern. Very substantial profits are being earned in some instances far in excess of normal profits and while the Excess Profits Tax Act should result in no one being allowed to retain any excess profits which have been earned yet in many instances we found, as a result of rulings which have been given, companies will at the conclusion of the war own valuable physical assets which have been entirely paid for out of money which would otherwise have been payable as excess profits. Steps should be taken now to prevent sale of physical assets and company reorganizations during the post-war period to escape taxation or to provide for the sterilization of physical assets whose cost has been completely written off through permitting very drastic depreciation write-offs as are now in effect with respect to plant and equipment of war-time industry.

I want particular attention paid to this last sentence:

The subcommittee found that in regard to industries engaged in war production rulings have been given in most instances permitting plant and machine costs to be written off in three years.

In other words, the cost of these industries and the machines is written off in three years. The Canadian people pay for them in the