

The Address—Mr. Zaplitny

market to see that the farmers get the going price. Already the farmers have expressed an opinion on that. They do not agree with that type of marketing, because speculative marketing has not given the farmer a fair return for his products. Or are they going to reimpose some controls on manufactured products and give the farmers a square deal?

While I am on the subject of controls I may as well say that there are those who argue, very seriously and sincerely, that since the war emergency is over we should get rid of all controls and return to a system of free enterprise. That is a very comforting, very neat little package of philosophy. The only trouble is that it does not work, because we have never successfully operated a free enterprise system in this country. Ever since the beginning there have been interests ready to run to the government for protection just as soon as they considered their industry needed it. I see the hon. member for Rosedale (Mr. Jackman) smiling, and I can almost hear what he is thinking. But before he even says anything to me let me tell him that the industries in his province were the first to deny the free enterprise system in Canada. They were the first to benefit from our tariff system, and some of them are still benefiting from it. That might have been the proper thing to do at the time, to subsidize and assist the manufacturing industries of Canada in order to develop greater production; but these same people, like the Canadian manufacturers' association, for example, and the Canadian chamber of commerce, who today go out and rave against the subsidy system and in favour of free enterprise, who are against controls, have a very short memory. They were the main beneficiaries of government intervention when it was in their interest for the government to intervene. Now that they have obtained what they want they say, "Throw it wide open. We want free enterprise from now on." That is a very comfortable position if you are in the driver's seat, but there are many people in this country who are very serious about this matter and who know we shall never move out of the field of subsidies. If we did we would have to revise our whole economic system in a backward direction, and it cannot be done. If we moved out of the subsidy field in its full sense we would have no social security schemes in this country, because that is a means whereby the wealthier subsidize the poor. We would have no government assistance of any kind to industry; and some of those who today are crying about controls would be the first to weep bitter tears and ask the government to intervene in their behalf. So let us not kid ourselves about

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free enterprise; we do not have it in the full sense of the word, and we will not have it. What we will have is a combination of free enterprise and public enterprise, and it is up to the government to provide the balance wheel of public enterprise in order to keep prices at reasonable levels. I am not saying the government must do it all, because the co-operative movement in this country has been doing a great job in keeping prices at reasonable levels.

Mr. Gardiner: Ever since the Liberals first encouraged it.

Mr. Zaplitny: I remember that the Liberals encouraged it a couple of years ago by slapping on an income tax. If it had not been for the fight this group put up in the house for a period of about ten days the co-operatives would have been taxed out of existence; and the Minister of Finance (Mr. Abbott) was the first to admit it.

But let us not get sidetracked on that subject; let me follow through with what I was saying. The co-operative movement, if carried into government and public affairs, would be one method of keeping prices reasonable, because there is no profit motive in a co-operative association. It is production for use and service at cost. When you take out the profit motive there is no reason to jack up prices and profiteer, because people would not be so foolish as to charge themselves more than is necessary for their services. Co-operatives have an equalizing tendency in keeping prices at reasonable levels. But co-operatives are limited in what they can do. They are limited in the amount of money they can raise; and some of the things that need to be done in this country must be done on a large scale. Only the federal government have the finances with which to do them, and only the federal government are in a position to do them. In the meantime, until they accept the philosophy of public enterprise as one of the chief factors in our economic life, we must have price control or we are going to have profiteering.

But let me move on. We also need increased income tax exemptions for many of the low-income groups in this country. Here I want to quote from a leaflet entitled "Labour Research" containing figures which come from the statistics branch of the Department of National Revenue. These figures are for 1946, and I am told more recent figures are not available because the income tax department is about two years behind in supplying these statistics. The Minister of National Revenue (Mr. McCann) shakes his head. If he can produce the figures for 1948 I shall be very glad to see them. According to these