

Defence Production Act

Mr. Knowles: "And until I indicate otherwise, I shall be quoting."

Mr. Pearson: Who said it?

Mr. Gillis: These are the words of Right Hon. Mr. Meighen:

I have no sympathy with those who would tax profits at 100 per cent. People will not work for nothing. Human nature is the same in war-time as in peace, and instead of helping the war effort you are defeating it by stripping people of the stimulus to toil and run their business right. Leave the incentive, so that the greater the toil and the greater the success, the greater will be the reward. You have to do that. You do not do it under this bill. I do not exaggerate at all when I say I have had business men by the dozen tell me that they are leaning on their oars: they have nothing to work for. They say: "We might just as well take it a little more easily now, for we are only working for taxes anyway." You will get that result in any case if you take away all incentive to work.

Mr. Drew: I take it that the hon. member would tax profits 100 per cent.

Mr. Gillis: End of quotation. The Leader of the Opposition (Mr. Drew) has asked me if I would tax profits 100 per cent. At the moment we are not talking about an excess profits tax. We are talking now about the desirability of giving the Minister of Defence Production the necessary authority in an emergency to deal with people who place profits for themselves above the national interest. As an indication of the need for a bill of this kind, I quoted a person who had long business experience and long experience as a parliamentarian. He expressed the opinion that, in so far as he was concerned, if there were not profits the businessman was going to lean on his oars regardless of the national interest.

With regard to the taxing of profits 100 per cent, I do not believe anyone ever suggested that. We did suggest that there should not be any profit in war. We did suggest that in case of war normal profits were all that could be expected, and that anything in excess of what was fixed at that time as normal profits should be taxed 100 per cent. In other words, we do not believe in blood money. I would ask my hon. friends who talk about this contract proposition to consider what happens when there is a war. Thousands of patriotic people place the interests of the nation even higher than their own lives. They leave their businesses, their farms and their jobs and take a contract with the country through the national defence department to go to foreign shores and offer their lives. What happens to their contract when they come back? Can they establish their own businesses? Are they sure of their jobs? No; they do not think of themselves. They are not thinking of contracts, they are

thinking of the safety of the nation and they are willing to offer their lives for it. I believe anyone who is a responsible citizen of this country would take that attitude, rather than the attitude that was taken in the quotation I have just given.

I would not mind that kind of thing coming from the ordinary industrial tycoon whose only interest was making money and manipulating the stock market, a man to whom money is a god. But when you get it from people who have taken the active part in public life that the particular person referred to has, then it makes one wonder and it should make one very careful of the people to whom the reins of government are handed, as to the motive for which they want to operate the economic processes of the country.

I want to say this, Mr. Speaker. When you talk about freedom and dictatorship, economic freedom is the greatest freedom we can have. That is what we in this group are struggling to achieve. It is the struggle to establish economic freedom that puts me in this group today. Very early in my life I realized that he who controls my job controls me. There is not any economic freedom in the large companies that exist across this country today. There may be 20 or 30 subsidiaries in one corporation, and they are the lords of all they survey. If a subsidiary of theirs in any particular area is not earning the kind of profits they think it should, what do they do about it? Do they consult the public? Do they consult governments as to what they should do? No, they do not. They say, close it down; close that plant or mine or factory, whatever it is. They do not take into consideration the millions and millions of dollars of investment that people generally have in these towns and cities that are built up around particular industries. This particular plant does not make enough money, so we throw it into the discard. Is that dictatorship in the economic field? It surely is. How much freedom have the millions of people who work as wage earners in those industries? The powers the minister requests in this bill are merely powers that are granted by those who are opposing this bill to every executive of every major corporation in this country.

Mr. Harkness: Nonsense.

Mr. Gillis: They wield them indiscriminately. You can go from Vancouver to Cape Breton, and the Leader of the Opposition knows this as well as I do, and you will find ghost towns, lumber ghost towns, mining ghost towns and ghost towns resulting from other industries that were built up and wiped