

Income Tax Act

than if the chartered banks had issued it. Of course the great advantage would be that instead of increasing our interest bearing debt to the chartered banks, it would be merely a debt to ourselves, because the Bank of Canada is owned by the people of Canada and all interest paid to the Bank of Canada is paid into the general revenue fund to the extent that it is in excess of their actual operating costs.

Another step that we feel should be taken at this time by the government is the institution of controls. I believe by instituting controls you would be able to help at least to keep down the volume of taxation. We in this group were the first ones in the house to advocate price control during the last war. I shall never forget the way that the then minister of finance rose and criticized our suggestions. When we advocated price control in the last war the then minister of finance said that it was unthinkable. He said it would mean a spy in every grocery store. He said that might be all right in Germany but we would never stand for it in Canada. It was less than a year after we made that proposition that the government adopted price control, and I think it proved very effective.

On the other hand, if the government postpones the day of price control too long, our price level will get more and more out of hand. It will make price control very difficult to impose when it is imposed—because if the war continues to expand I think the parliamentary assistant will agree that price control will have to be adopted. Apparently the government is still hoping that the war will not develop into an all-out war. We all hope that it will not develop into that kind of war, but on the other hand, even if the war in Korea finishes next year, as long as the international situation continues as it is today we shall have to continue preparing for an outbreak of war in any part of the globe. Therefore I believe that in order to place our economy in such a position that it will be able to meet the costs of war and distribute the burden equitably amongst the people, the suggestions I have made should be adopted.

Mr. Speaker: Is it the pleasure of the house to adopt the motion?

Mr. Blackmore: Mr. Speaker—

Mr. Speaker: Order. Probably I should point out that we are now dealing with the principle of Bill No. 6, an act to amend the Income Tax Act. This bill deals only with income taxation on corporations. I think I have allowed too great latitude in the debate up to the present time. The bill is not such as to allow a general discussion of taxation.

We had that on the budget debate. The resolutions have been approved in committee and passed by the house, and the bill is based on the resolutions. I ask hon. members who may speak to direct their remarks more closely to the principle of the bill now before the house.

Mr. Blackmore: Mr. Speaker, I deeply appreciate your remarks and their significance. May I point out that one of the major principles of the bill is whether or not it is expedient at this particular stage of Canadian history to levy taxes on corporations; therefore it becomes completely in order to discuss whether or not the whole government financial policy is sound or unsound.

Mr. Speaker: I think that would be a rather broad interpretation of the principle of the bill. I did not rise particularly to curtail the discussion, but I do not think it should get entirely beyond the scope of the bill.

Mr. Blackmore: I shall endeavour to confine my remarks within the scope of the bill and within the scope of the government's financial policy, part of which the bill embodies.

Mr. MacInnis: Some scope.

Mr. J. H. Blackmore (Lethbridge): Mr. Speaker, in the first place I should like to commend the hon. member for Acadia (Mr. Quelch) for the remarks he made. I say to the house, the government and the country that if the recommendations of the hon. member for Acadia are adopted in toto, no one in this country will ever be sorry that it was done, but if the recommendations of the hon. member for Acadia are disregarded in any particular, everybody in this country will have cause to be sorry to the extent to which they are not adopted. They represent the very finest constructive set of suggestions that can be offered at the present time. I think the Minister of Finance (Mr. Abbott) must realize that. If he does not he soon will.

If I may do so, I wish to refer for a minute or two to certain remarks that were made just before we adjourned at one o'clock. I wish to do so in order to show the kind of thing this country is heading towards unless the very wisest policies are pursued.

In his remarks in committee the Minister of National Revenue (Mr. McCann)—and I am quite certain his remarks have a direct bearing on the bill—used words which I am sure he will not be sorry to have repeated. He made his pronouncement with such solemnity, such warning, and it was so much applauded by his followers that I am sure