

Does he think we did what the income taxpayers' association asked us to do? Not by any means. We received over thirty thousand cards asking us to tax patronage dividends, and we refused to do so.

Mr. GILLIS: Well, whether or not patronage dividends are taxed is something we shall determine when the proper item comes up. I am not going to argue it now. If the regulations are to be handled and applied by people of the calibre I think will administer them, then I believe the budget resolutions could be construed as meaning that patronage dividends are being taxed. However, as I say, I am not going to argue that point now; when the proper item comes up we shall consider it further.

It amuses me to hear our hon. friends to my right talk about free enterprise. The only free enterprise we have in this country is the cooperatives, the small business in this country from coast to coast. They say a man is free to go out and work and build and do something for himself, but to-day private enterprise in this country is a small monopolistic stranglehold. There is not a small business man in this country to-day who has any more elbow room to do business than I have, and before I am through I will show the house how free they are. I am awfully glad to be able to pull these fellows out into a frank admission. To-night they frankly admit they stand for the taxation of the cooperatives. They did not say that during the campaign, though they were asked that question quite frankly.

An hon. MEMBER: What did you say?

Mr. GILLIS: I said exactly what I am saying now, and I shall continue saying it no matter who likes it or who does not. I think I am right; and election or no election, that is the programme I shall support.

How free is this free enterprise? It has freedom to exploit the people; it is free to walk on the other fellow's back and trample him to death, if it is big enough. It means the tooth-and-claw law of the jungle. As I heard Tommy Douglas, now premier of Saskatchewan, say in this house once, it is pretty much the same as an elephant dancing among the chickens. It is all right if you are the elephant, but it is pretty hard if you are in the chicken class. That is about the philosophy of the enterprise you have to-day. The freedom is gone.

Here is another example of that freedom. The Minister of Finance is from Nova Scotia, a province that has had practically all its industries stolen from it. The banks were siphoned off, and it lost control of its credit and control

of practically its whole economy. To-day, if you want to borrow \$500 there to establish a small industry—and a great many people are trying to do that to-day—you have to go to Montreal, if you are doing it straight through the private banks. Then, when you go to Montreal they look over their list. What are you going to establish; a machine factory? They say it cannot be done; they already have one in Montreal, and they are selling their products there. Only a few weeks ago in Halifax the minister of industry in the government of that province made a pretty serious accusation against an agency of the dominion government and the milling companies, the free milling companies of Canada. You can go out and establish a flour mill anywhere you like, provided that the big mills want you to. In this case the minister of industry of Nova Scotia made an accusation which I never intended to let go. It appeared in the press. Nobody seemed to bother with it. I am going to read it for the benefit of my hon. friends as another example of free enterprise in this country.

An hon. MEMBER: Can you take the flour and make dough?

Mr. GILLIS: It is not necessary to have flour to make dough; there is a lot of it over to my right just now. This is an editorial which appeared in the *Halifax Herald* of May 8, 1946.

Mr. MacNICOL: That is a good paper.

Mr. GILLIS: Yes, I think I would be quite free to admit that the *Halifax Herald* is perhaps one of the fairest newspapers in Canada. It is interested in the province in which it is published; it fights the battle there, and I give it credit for that. The editorial states:

During the session of the Nova Scotia legislature recently prorogued, the minister of industry levelled a direct and serious charge against the national harbours board. He charged that "the milling interests of central Canada blocked the Nova Scotia government's plans to erect a million-dollar flour mill at the ocean terminals in Halifax."

I am not going to read the rest of it, but that is the charge.

An hon. MEMBER: Why not?

Mr. GILLIS: If you want me to I shall do so; it gets better farther along.

Before a house committee the minister declared that—

"... he was entirely satisfied that the decision of the national harbours board to refuse the government permission to use pier 23 for the mill 'was dictated by the milling interests of this country'."

The fellow who said that is not a socialist. He is a Liberal in a Liberal government pre-