

down the river at Toledo, down the lake at Cleveland. We should like to have a steel plant at Toronto. It would be practicable because we have a great water highway, the greatest in the world.

There is a vision; there is a target to shoot at, for this country to produce as much iron ore as it can and smelt it into iron and steel.

I thank you, Mr. Speaker, for your great kindness to me before the dinner recess.

Mr. McIVOR: I should like to ask the hon. member a question. Does he think that dollar parity will result in a boost for the Steep Rock iron ore? I know it will be a great help to our people in the purchase of United States heavy trucks. Does he not think the dollar parity measure will be a great help in selling this iron ore in Canada?

Mr. MacNICOL: In answer to the hon. member's first question, I might say I am for whatever will produce iron ore in Canada.

Mr. CLARENCE GILLIS (Cape Breton South): Mr. Speaker, it is not my desire to prolong this debate—

Some hon. MEMBERS: Hear, hear.

Mr. GILLIS:—but after the last forty-five minutes I am not making any apologies.

Mr. MacNICOL: I have been on my feet for just thirty-five minutes.

Mr. McIVOR: I should like to say that the last forty-five minute speech was extremely good.

Mr. GILLIS: That is a matter of opinion. I always enjoy listening to the hon. member for Davenport (Mr. MacNicol) making an historical survey of water or power or metals. The thing I can never figure out is how the group to my right can plead with the Minister of Finance (Mr. Ilsley) to grant exemption from taxation to billion dollar corporations and at the same time suggest the taxing of cooperatives, people who are lifting themselves up by their bootstraps. That is an angle which always provokes me; it is completely inconsistent. They say, do not tax these billion dollar corporations; provide everything in the way of social security, but do not tax anyone except the people down in the \$750 class; spare these poor corporations!

I am going to try to stick with the budget for a few minutes. The hon. member for Vancouver East (Mr. MacInnis), speaking for this group, made a general survey of the budget and did, I think, an excellent job. What I am going to try to do is to be as

[Mr. MacNicol.]

brief and as explicit as possible on points which, I think, support the arguments he advanced.

To begin with, I am not quarrelling with the Minister of Finance. The minister just happens to occupy a very uncomfortable position; and so long as the rules of the game are as they are, and hon. members on both sides of this house rise in their places and insist that those who hold the means of life in this country in their possession to-day should utilize those means of life for private profit, the minister is going to have to do the kind of job which he has done in this budget. There is no alternative.

Mr. ROSS (Souris): Page the hon. member for Yorkton.

Mr. GILLIS: Perhaps the worst feature of the budget is the failure to raise the exemptions on the lower income groups. I believe the effect will be to create further problems for the Minister of Labour (Mr. Mitchell). Many of the workers across this country, heavily taxed during the war, were looking to this budget for some relief and some improvement in their standard of living through a lifting of the exemptions. Now that they are disillusioned on that score, I believe the result will be to create a brand new set of demands for wage increases, and I think those demands will be completely justified.

The second and perhaps most serious defect in the budget was the failure of the Minister of Finance to follow through with the proposals made to the dominion-provincial conference. One of the most serious things which happened in this country since confederation was the refusal of the premiers of some provinces to assent to the steps taken by the dominion government in order to determine the fields of taxation and pave the way for social security, for putting into effect the building programmes which have been set up across the country, and the health programme which a committee of this house spent some months in considering. I believe the major responsibility rests with the provinces of Quebec and Ontario, in failing to recognize the fact that, coming out of this war, we are entering a new era, and that it is not possible to redeem the promises and pledges made to the service personnel who fought this war unless the narrow prejudices which existed in the past are swept away and the dominion government is given greater responsibility and larger finances to meet the many social needs which exist in all the provinces. Perhaps the premier of Nova Scotia was as great an offender as the premiers of the two central provinces. I read very