

sible government we have to accept the whole budget as it is because if we move to strike out a dollar, and the minister opposes it and it comes to a vote and the government is defeated on that vote, it has to resign. A change is all the more necessary because of the great dislocation brought about by the war. I have always contended in this house that in parliamentary, constitutional, cabinet and law reforms Canada is away behind the times. I should like to see the municipal system adopted in preparing the annual budget. It would involve a change in our constitutional practice, but it would restore to parliament the place which it should rightfully have. We should have federally what is known as the board of control system in the municipal field, under which a national committee of ways and means could reduce any expenditure and strike a balanced budget. I admit that a balanced budget would not be easy in this period of reconversion and demobilization, but I make the suggestion for the consideration of the government. It is unfortunate that after this great war, now over for a year, the people have still to pay high taxes, and the Minister of Finance is budgeting for a deficit of \$300,000,000 for this year. In addition we have loans and advances amounting to more than a billion dollars. Our whole economic future is thus mortgaged, and future generations no doubt will have to pay part of the cost of this war. The practice used to be for fifty per cent to be paid out of taxes and fifty per cent charged to capital account. This generation has suffered enough in flesh and blood and it is only right that future generations should pay a part of the cost of this war.

We are also making loans to help rebuild the devastated countries of Europe. There is not much security behind these loans. We found that out after the last war, and the Minister of Finance gave a statement in connection with those loans in an earlier budget.

The budget of last November 8, in Washington, furnishes a pertinent comparison with the budget now before us. The United States budget relieved between 10,000,000 and 12,000,000 persons of paying any income tax whatever. The minimum exemption for taxpayers was raised to \$1,000, and the exemption for a dependent wife or child was raised to \$500. The excess profits tax was repealed entirely, and the normal corporation tax reduced slightly. Altogether, the taxation concessions totalled in excess of \$6 billion.

I referred at the opening of this parliament in September, 1945, to what business men in this country have had to suffer and their tasks are heavy in this reconversion period, so that Canada may recover quickly. Industry and

labour in Canada have worked wonders in war, and can in peace also. Canada needs stability to speed the delivery of all classes of goods and meet market demands so as to aid peacetime economy in employment, supply civilian needs and restore as soon as possible living standards and defeat inflation and black markets. It should be, with the lessons industry learned in Canada in war, much easier to work out reconversion. All irksome controls must go, and we must remove shackles from industry, large and small.

Private enterprise must have a clear right of way unfettered by a small standing army of inspectors, examiners, supervisors, card-filing clerks of an outworn, out-of-date system of control, most of whom contributed nothing to the winning of the war. Business must have freedom once again to succeed by free enterprise. We should see an end of government controls by blueprints and a horde of useless officials, many of whom have never had training in any competitive business they seek to control. Demobilization should be speeded for these reasons.

We have recently embarked on a programme of employment. There is no such thing as full employment. There is no use in people promising things like that; it cannot be done. If you consult the health statistics of this country you will find a great many people not fit for work. The reconversion policy of the government has been a flat failure and has never been anything else since it started. I will give the government of Canada credit for one thing, namely, the establishment in the city of Ottawa of a great basic industry known as the "ambassador cure for unemployment."

I said last year that the Canadian people are long-suffering, but there is a limit to their patience. That limit has been reached. As a result of mistakes made in the war and in the reconstruction period so far, they are losing their confidence in all governments. They believe that there has been over-government and overtaxation in Canada, and they are losing their confidence not only in the administration but in members of parliament as well. They are becoming critical of the work that is being done in the nation's various legislatures. The worst of it is that the public are not really acquainted with the facts in any situation that confronts them. They cannot get the truth and the whole truth concerning any problem that faces the government of Canada. We had a control system in this country throughout the war—we still have it—which has virtually made the work of the House of Commons unnecessary. We might as well have gone