

Dominion-Provincial Relations

being bound by federal legislation. Such a statement is completely without foundation. There is nothing here which binds the province of Quebec in any way. Federal legislation cannot bind the province of Quebec or abridge the rights of that province. However, federal legislation can define, extend or abridge the rights of federal taxpayers, and that is all that the bill does in relation to federal taxpayers in a prescribed province as here defined.

The suggestion has been made that somehow or other we are imposing on the province of Quebec an agreement which was entered into, or is proposed to be entered into between a Canadian minister and the Canadian universities foundation. That agreement is not imposed on the province of Quebec or on any other province which may some day qualify as a prescribed province. It is not imposed on any province. That, today, is an agreement under which the payment authorized by parliament thus far in the estimates and in the Appropriation Act is paid over to the foundation as it was paid to its predecessor, the national council of Canadian universities, for distribution on certain terms outlined in that agreement.

This is not a vehicle that we have invented. This idea of having distribution made in accordance with an agreement goes back to the former government. When we came into office there was one of these agreements in existence between my predecessor, Mr. Harris, and the Canadian council of universities, and that agreement defined the basis of distribution which was to be carried out by the N.C.C.U. Similarly, since the Canadian universities federation became incorporated, it was necessary to have a new agreement with the new organization. That was done, and it is referred to in the estimates which were introduced in this house some time ago.

That does not impose anything on any province. In the case of the non-prescribed provinces, that agreement defines the terms on which distribution of that federal money may be made among universities. In relation to a prescribed province, all that is said here is that where an alternative provision is to be made, it is to be made on terms not inconsistent with this new agreement. In that way and no other can it be assured that equality across Canada is applied to all provinces. That is the reason this provision is here; it is in order to ensure equality. Otherwise, whereas distribution in the non-prescribed provinces must be on the basis of equality among the universities of the province as determined by student enrolment, if this were not applied to a prescribed province it would be open to such a province to

apply the funds in any way it saw fit, and parliament surely intends that there should be equality of treatment in all parts of Canada.

Mr. Chevrier: I must tell the minister that I much prefer him in the mood in which he is now than in the mood he was earlier in the debate, because when he rises and discusses a point coolly it is far more interesting to follow him than it was earlier. That being the case—

An hon. Member: Six o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Chevrier: When the committee rose at six o'clock the Minister of Finance had completed his remarks on the amendment moved by my hon. friend from Cartier. The amendment proposed to remove from clause 2 of the bill the words in the eighteenth to the twenty fifth lines on page 2:

In accordance with and subject to terms and conditions not inconsistent with those contained in any agreement entered into under subsection (2).

The point made by the hon. member for Cartier was that these words would in effect be binding upon the prescribed province and he asked that they be stricken out. In his reply the minister made several points. In the first place he said that the agreement did not impose anything on the province of Quebec or on any other province which may some day qualify as a prescribed province. It is with that first statement of the minister that I should like to take issue. If I read this bill correctly, the definition of prescribed province which I find on page 2 is as follows:

"Prescribed province" means a province
(i) that has not entered into a tax rental agreement under which...
(ii) ...satisfactory arrangements exist in the opinion of the minister for the payment by the province directly to institutions of higher learning in the province, in accordance with and subject to terms and conditions not inconsistent with those contained in any agreement entered into—

Between the minister and the Canadian universities foundation. This is what is contained in the bill. The minister entered into an agreement on the eighteenth day of January, 1960 with the Canadian universities foundation outlining the manner in which these grants shall be paid, and also defining certain terms such as student, university, university degree and university level.

During the course of his remarks the minister also very properly said that when his government came into office there was one