

The Budget—Mr. Fontaine

more than \$100 million and is now complaining that we are depriving it of some \$15 to \$20 million. And let no one say that the dominion-provincial agreements, which all the other provinces have signed, constitute an attack on autonomy!

Today—through sheer demagoguery—they try to lead us to believe that the tax rental agreements between the dominion and the provinces are contrary to the spirit of the constitution and even encroach upon provincial autonomy. We would be very naïve to believe that the premiers of the other provinces are not as anxious as Mr. Duplessis to protect the autonomy of their respective provinces. The premier of Quebec himself does not think so, because, on May 2, 1946, he stated, during the plenary session of the dominion-provincial conference, as reported at page 556 of the proceedings:

The province of Quebec is willing to consider a clear, precise, iron-clad and absolutely fair agreement to rent to Ottawa . . .

I repeat these words.

. . . agreement to rent to Ottawa the personal income tax and the corporation tax.

If renting taxation fields is an infringement upon provincial rights the Quebec premier is not speaking seriously, or else he is the first to accept this infringement. Can anybody believe in his sincerity when he now speaks of the federal government taking over a field which rightfully belongs to the province, while adding, with characteristic boldness, that for seven years now he has been attempting to enlist the federal government's co-operation.

We all know, for it is easy to see, that, on the contrary, Mr. Duplessis has been, with an eye ever turned towards forthcoming elections, a sworn opponent of the federal government. Alone among the provincial premiers he has refused to co-operate with respect to concluding taxation agreements, building the trans-Canada highway, accepting university grants, etc., thus depriving Quebec of numerous advantages which the other provinces enjoy and which could in no wise affect provincial autonomy. On the contrary this could have relieved the Quebec taxpayer, not only from the present 15 per cent tax, but also from the excessive, uncalled for and nuisance taxes imposed by the province in order to justify Mr. Duplessis' particular attitude.

Mr. Abbott: Hear, hear.

Mr. Fontaine: I may add that Mr. Duplessis does not seem to understand the meaning of

the words "national unity", for he has always considered the rest of the country, outside Quebec, as a foreign nation, the government at Ottawa as a naturally hostile government, and the Quebec members at Ottawa as non-existing, as if they did not represent their province; and all this so as to be able to make Quebec a reserve, where he would be the big white chief with more and more dictatorial, more and more totalitarian powers.

The hon. Minister of Finance has presented to the nation a realistic budget, a budget which aims at ensuring the general prosperity of the country; moreover, he has left the door wide open for Quebec, whose credit Mr. Duplessis is ready to jeopardize, if it will serve his interests and those of the Union Nationale party.

Whatever Mr. Duplessis may say, the subsidies go back to confederation, when they were proportionately higher, for at that time they represented more than half of the revenue of the province. But enough has been said on this matter for the time being. I now wish to speak about problems which concern more particularly the electors of my constituency, especially those in the rural areas.

I said a few moments ago, Mr. Speaker, that agriculture is the basis of our whole economy and that, when the farmers are satisfied, all goes well for the rest of the country. In Canada, agriculture is prosperous and it is all to the good. The prosperity of agriculture depends on two conditions: first, its products must be sold and, second, the basic price must be such as to make this sale profitable.

Our farmers are entitled to a just and reasonable profit. It is towards that goal that the federal government has consistently aimed, never forgetting that agriculture is at the basis of all industry. If it be true, as has been said, that, when farmers are prosperous the rest of the country is necessarily prosperous, the opposite is just as undeniable. If agriculture is depressed because prices are too low or because producers cannot sell their products, either in this country or elsewhere, the whole of the industry will suffer.

When a building is begun the first thing that is done is not the construction of the roof: on the contrary the foundations must first be laid solidly so as to ensure the solidity and the resistance of the whole building.

Our Liberal federal government has at all times and in every circumstance held to these principles. It has always worked for the welfare of the Canadian nation as a whole, and as I was saying a moment ago,