

war in Germany, in Italy and Japan. To be honest, I thought perhaps I should quote passages from this agreement that was passed on May 13, 1942. I would like to quote this, above all to inform the people because I know that most hon. members will not even read that speech. I quote:

• (1530)

An Act respecting an agreement between the Dominion and the Province for the suspension of certain taxes in war time

[Asserted to, the 13th of May, 1942]

WHEREAS the British North America Act authorizes the Parliament of Canada to impose any kind of taxation and the Provincial Legislatures to impose direct taxation;

Whereas in order to enable Canada to put forth, in the prosecution of this war, a maximum effort, it is necessary that the Parliament of Canada should alone exercise the power of direct taxation upon incomes and upon corporations;

Whereas the Government of Canada is willing to allow the Province an adequate compensation if, for the duration of the war, the latter undertakes not to levy such taxes;

Whereas the Dominion Government acknowledges that the Province, in making this undertaking, neither abandons nor cedes any portion of its authority, nor any of its constitutional rights, powers and privileges;

This text is very important, since Ottawa recognizes that the provinces have the right to levy direct taxes. For the duration of the war, Ottawa requested the sole right to levy direct taxes which had been exercised exclusively by the provinces. I did say, for the duration of the war, and if the provinces do not levy direct taxes during the war, Ottawa undertakes to pay them an adequate compensation.

At last, it recognizes, as in the preamble of the last paragraph but one, that the province which signs this agreement, "neither abandons nor cedes ... any of its constitutional rights, powers and privileges".

In theory, the province of Quebec has only temporarily loaned its privileges, but in practice, the federal government still has the upper hand on taxation.

The war ended 30 years ago; however, the provinces are still fighting the federal government to regain their rights. Why is the federal government so jealously and so stubbornly keeping what the province loaned in good faith? This is what 90 percent of the Quebec people are asking themselves without ever finding a sound answer.

Does the federal government hold that it is the sole authority able to equitably distribute the proceeds of taxation? To efficiently overcome regional inequalities? What is it doing in the fields of health, social welfare, education, roads, agriculture, post-secondary education, and in all the other sectors under the exclusive jurisdiction of the provinces where it sneaked in through shared-cost programs?

I might be told that it had to look after other problems such as old age pensions and family allowances because the provinces were not tackling them. But were there reasons preventing the provinces from being active in social fields? In fact, Ottawa was still collecting all the

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taxes without ever reimbursing the provinces, except with crumbs.

This is why the province of Quebec had to levy a second tax, considering Ottawa's constant refusal. And we of the province of Quebec know what such obstinacy on the part of the federal government entails, that is two collecting agencies and duplication of all departments to boot. As a result we now have twice as many bureaucrats and technocrats. We are paying three times as much, yet we get only mediocre service.

The Prime Minister (Mr. Trudeau) himself said so: When Ottawa returns \$2 to the provinces, that means it has pulled \$5 out of the taxpayers' pockets.

We now have in Ottawa the most chaotic administration ever to exist since confederation, to the extent that nobody knows the limits of its rights or duties. The situation is worse than the Tower of Babel confusion.

The administrators, whether provincial or federal, do not speak the same language, for they are only technocrats transmitting orders received from financiers. And all that while the elected representatives, allegedly responsible to the people, are no longer responsible for anything. We have evidence of that every day during the oral question period when a minister confesses his inability, with respect to such or such section of his department, to alter the course steered by the civil servants.

We are today living on the wrong side of confederation. And as long as we do not revert to sources, we shall continue to flounder pitifully in the worst disorder.

We are living under a federative dictatorship, if I may use that word to describe a central power which imposes its own will to the provinces without ever consulting them. Proliferation of such laws is our most vicious attack on the provinces' sovereignty. And a province will be autonomous to the extent that it can look after itself and assume its responsibilities.

Now, all these bills result in making the provinces increasingly dependent on the central power. And that is what the province of Quebec—and British Columbia, for that matter—rejects ever more strongly while each day Ottawa tightens its grasp.

Perhaps the minister will retort that under Bill C-8 he is offering the provinces some means to free themselves. But the provinces no longer will agree to being offered only that allegedly magic means: they simply want to take it into their own hands, with all the responsibilities and rights that it implies.

That is why I say to the government that it is time to reverse steam before it is too late. Let us show no hesitation to resume our dialogue with the provinces, for Canada will become united only when it comes back to the true meaning of confederation.

Mr. Speaker, it will perhaps be said that I impute all the wrongs to the federal government, but that is not the case, for I think that the provinces, and particularly the province of Quebec, bear a heavy load. Indeed, when I read again the 1942 agreement, I realize once more that all the Quebec governments which have been in office from 1942 to 1972 have been despicable, hypocritical or traitors to their province.