

down when it was altered, and this process has gone on over the years.

There have been long arguments amongst those who considered this problem as to whether there should be more centralization or more decentralization. This matter was raised yesterday and again today in the debate here. I myself am not quite clear as to whether some speakers are urging more centralization of fiscal power or more decentralization. Everyone seems to speak both ways—and perhaps it is a problem which can be answered in that way. We had a trend over the years towards centralism. The word “centralism” was used as part of an attack on the Liberal administration when it was in office for something like 22 years. My recollection is that at that time the federal share of the total tax dollar reached about 80 cents. What it is now I have not been able to find out, but I imagine it is considerably less. Perhaps centralization went too far in those years.

Today the trend seems to be to decentralize, and there is evidence that perhaps we are already going too far in that direction. The layman's question that I want to put is: Why is it that, after 95 or 96 years, the Minister of Finance still says this is a purely temporary thing? He says there has been set up a committee called the Tax Structural Committee. I am not sure whether it has been set up or is to be set up, but he says that committee will look at this thing and try to work out a more satisfactory solution.

The fact that at this late date, a few years from the centennial of Confederation, we still accept of necessity another temporary expedient, does not enhance the work the experts have done in this field.

Another question which would occur to a layman almost immediately is: What about the consent of the provinces? Somebody has spoken of this whole recent trend as “infringement by consent,” meaning thereby that the strict letter of the Constitution is being infringed particularly in respect to provincial jurisdiction but that there has been a degree of consent on the part of the provinces.

The main argument in favour of the arrangements now before us seems to be this: We have agreed on this; it is not the best thing; it will be improved on; but at least the provinces and the federal Government have agreed. Yet when one examines the comments which have been made, the fact of the matter is that there is no consent of the provinces to many of the provisions of this bill.

Honourable Senator McCutcheon mentioned this fact. I would go further than he did. The evidence before us is that in the

matter of the arrangements regarding the inclusion of gross natural resources, some of the provinces are diametrically opposed. The only conclusion one can reach is that there was a meeting of the provinces and the federal Government; the federal Government put certain suggestions forward, certain principles, and these were accepted. The experts of the federal Government wrote this bill; the Minister of Finance has made quite clear that he did not write it, that it was written for him. They wrote this bill, but subsequent to the drafting of the bill the evidence is that it has not had the consent of the provinces. Indeed in some of the comments, in some of the discussion that has taken place, it is obvious that some of the bitterest criticism of the new equalization formula is being made on behalf of those governments which regard it as grossly unfair to their own interests. There is much evidence not only in respect to the gross natural resources provision but in respect to the equalization tax itself. It has been pointed out, for example, that Prince Edward Island, one of the provinces which might be regarded as in most need of equalization, will get less per capita under the equalization clauses of this bill than it has been receiving previously.

On another matter of consent, may I say that as a layman I am always amazed that no one ever seems to pay any attention to the fact that the jurisdictional rights that are involved—even here in this area of shared jurisdiction—are essential rights and are completely ignored. These are rights granted to the legislatures of the provinces, and I for one cannot understand how any government or groups of government can come back and say, “We are changing some of the essentials of the Constitution because we have an agreement with the executive of some provinces.” Even if they have an agreement with the executive in the provinces, I ask you, would the Parliament of Canada tolerate for one moment a situation where the executive would compromise the rights given to the federal Parliament under the British North America Act, without requiring consultation with and the endorsement of Parliament? Yet do we ever hear of a provincial executive going back to its legislature and saying, “We have compromised some of the rights that were given to the legislature, and we want you to ratify what we have done”? I emphasize that point, honourable senators.

Someone may say that this would be too clumsy, that you cannot have all of these rights taken before every legislature. Of course that argument has been used to justify practically every abuse of executive power since the beginning of time.

Honourable senators, a great part of the trouble that has arisen in this field may well