

found in a federation such as Canada where almost inevitably the taxable wealth will be largely concentrated in small areas. Now I want to give notice that I shall never cease to urge that in a country which calls itself a nation it should never be tolerated that the services - social, educational, health - enjoyed by the human beings in the less favored areas shall be less extensive than those enjoyed in those areas where wealth has been concentrated. In this I believe I have the support of the vast majority of Canadian people. How can this injustice be avoided without the payment of subsidies? I think I can give one answer to that question and it is this: it will be done by the Dominion exercising her unlimited powers of taxation and supplying the services to the people directly. That is how you will get centralization. So instead of a system by which, in part, the Dominion raises the money and the province spends it, you will have a system in which the Dominion will raise the money and spend it too. And I suggest, therefore, that unless we want extreme centralization we had better make adequate provision for the financial stability of the provinces by subsidies or otherwise.

In conclusion I wish to refer to one other matter. As a compromise the Federal Government has made two suggestions. The first is that in return for getting out of the gasoline tax field the Federal Government should withdraw its offer to assume 50% of the cost of paying old age pensions to persons 65 to 69 years of age and who are in need. Let me say most emphatically that such an alternative is not acceptable to us. Even if the Dominion discontinued its 3 cent a gallon tax on gasoline we are convinced that we could not realize sufficient from this source to enable us to care for those in need who belong to the 65 to 69 year group. In the first place I doubt that we could add 3 cents a gallon to the price of gasoline