

*Sputnik* for the decision to pool all scientific knowledge, a decision which in my opinion was long overdue.

As to the satellite, let me say that until we solve our human weaknesses and problems on this earthly planet of ours I will have no great enthusiasm for devoting time and talent toward landing on the moon or one of the other planets. It reminds me of a foolish idea that was experimented with as far back as 4,000 or 5,000 years ago, when some men set out to build the Tower of Babel, which they hoped would reach up to the heavens. So, there is nothing new in the idea. Krushchev's truculence today should, I believe, serve as a warning to all of us of what the Soviets would be tempted to do, once they felt they had a preponderance of power. The advent of *Sputnik* has encouraged the Russians to aggravate the cold war with brazen threats and barefaced lies. To the cold war practice of divide and conquer they are now trying to add fear. I am really surprised that some naïve scientists believe the Russians will pass on scientific information. So long as Russia devotes all her resources to military purposes, seeking to achieve complete mastery of the world by building up the greatest war machine the world has ever seen, so long must the Western democracies prepare to meet the most deadly weapons. However, the North American continent seems to be more concerned with acquiring additional luxuries and an easier way of life. Canada and the United States have a great many scientists and trained men, but they are largely wasting their time on luxury goods and making money for big concerns. At times I wonder how many of our scientists are employed in turning out such articles as new varieties of soap suds and new chrome-trimmed chariots. We should face the fact now, that we cannot have all these luxuries and at the same time compete successfully with Soviet Russia. Our desire for a more luxurious way of life could, in my opinion, be our downfall. I sincerely trust that our military efforts will be expanded while, in my opinion, there is yet time.

I should like now to discuss for a few minutes the recently announced conference which is shortly to take place between the dominion and the provinces. Premier Frost of Ontario has said that at the conference he is going to demand for Ontario 15 per cent of the revenue from income and corporation taxes, and 100 per cent of the revenue from succession duties. At present, I understand Ontario is receiving 10 per cent of the revenue from these taxes and 50 per cent of the succession duties. Mr. Frost points out that Ontario's financial needs are short by \$100 million.

Honourable senators who have watched this system of distributing the income of Canada among the provinces know that not one province has ever been satisfied. As a matter of fact, the distribution has been used politically by most provinces against the federal party in power. With respect even to the Government of the province of British Columbia, when the premier there compared the province's share of \$40 million out of income tax collections with the federal share of \$385 million, he used to say the province was being robbed. Today the premier of that province is still saying the same thing. If you look back you will find, I think, that only one province has ever given credit to the dominion for collecting taxes and dividing them as fairly as is being done. That province is New Brunswick.

Note, however, honourable senators, that although the provinces cry about being robbed, none of them are willing to withdraw from the agreement and collect their own taxes. We used to hear a great deal about provincial rights. But the cry now is about provincial wrongs, and most of the provinces today, if not all of them, are bewailing the fact that they do not receive a larger proportion of the total tax revenues. I am confident that if at the conference the dominion government accedes to the request of Premier Frost of Ontario, every other province will say, "Me too", for each and every province will come with both hands out to get more from the federal treasury.

The provinces like the present system. It is the finest thing that could have happened for them, because taxation now is centred at Ottawa and if people complain of high taxes the provinces say, "Why, it is the federal Government that is taxing you." But they fail to point out that the provinces are reaping the benefits. As I have said, we used to hear a great deal about provincial rights under the British North America Act. That subject, like free trade, has now disappeared from discussion, no matter in what part of Canada you are. The provinces do not mind about their rights, so long as they can hand their responsibilities on to the dominion Government. They are willing to give up any birthright they ever had. Old age security and health are now being firmly loaded on to the dominion authorities. And I read in the press that at its convention last week the British Columbia Young Liberals seriously advocated that the dominion Government pay part if not all of the salaries of teachers. Now, we all know that there never was and is not at present any responsibility on the part of the federal Government to pay for or take care of education.