

Dominion-Provincial Relations

Mr. M. J. A. Lambert (Parliamentary Secretary to the Minister of National Revenue): I think everyone has seen that story. The figures used may be obtained from the annual report of the department. As to the observations made by the author of the article, I do not know the source, but at the moment I would not care to say anything beyond that which the minister is reported to have said. If there is further comment to be made he will undoubtedly make it.

FEDERAL-PROVINCIAL TAX-SHARING ARRANGEMENTS ACT

ALTERNATIVE ARRANGEMENTS FOR UNIVERSITY GRANTS—EXTENSION OF INDIVIDUAL INCOME TAX RATE

The house resumed, from Thursday, May 5, consideration of the motion of Mr. Fleming (Eglinton) for the second reading of Bill No. C-56, to amend the Federal-Provincial Tax-Sharing Arrangements Act.

(Translation):

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, when this debate was adjourned last Thursday evening, I was saying that in 1956 an important amendment was introduced by the St. Laurent government, whereby not only were grants to universities doubled but provision was made for the accumulation of funds in case a university decided to refuse them temporarily. Therefore, if \$25 million are now available to our universities, it is because of the legislation introduced by the St. Laurent government. One can not speak highly enough of the wisdom, the foresight and the courage of the previous Liberal government which staved off financial disaster from our universities. I might point out to our Conservative friends from Quebec that if, in 1951 and in 1956, negative autonomists of the type of the hon. member for Roberval (Mr. Tremblay) had been in office, not only would our universities now be unable to take advantage of those \$25 million, but we would have to speak in the past tense of French universities outside the province of Quebec.

Mr. Speaker, a great many views have been expressed on the constitutional legality of those university grants, but no authorized court has ever rendered a decision on this matter. For this reason, I am not afraid and I am even proud to support the view, so often expressed by Mr. St. Laurent, that those grants do not encroach upon the autonomy

[Mr. Fisher.]

of the provinces. It is easy to understand that I much prefer the views expressed by an authority on constitutional law like Mr. St. Laurent to the changeable opinion of the former Quebec premier who said one thing in 1951 and then said the opposite later on.

I might add, Mr. Speaker, that I have my doubts concerning the constitutional opinions expressed during this debate by our Conservative friends from Quebec, reminded as I am that, during many debates on constitutional matters in the past, they changed their minds as they did their shirts, and maybe for the same reasons.

Now, what about the constitutional position of Bill C-56? It must be remembered that this bill is the result of many caucuses held last fall between our Conservative friends from Quebec and the Minister of Finance. It was then they laid this twin-yolked egg.

Bill C-56 involves two, well defined jurisdictions. Provincial jurisdiction is subordinated to the federal one in the case of a provincial tax collected by a provincial legislature for provincial purposes.

In this bill, Mr. Speaker, a rather unusual and extraordinary term is set down, stipulating that the Minister of Finance is to be the sole judge of agreements entered into by a provincial government and universities. In other words no one but the federal Minister of Finance can decide whether or not the agreement between a provincial government and a university is satisfactory, from his point of view.

It is clear, when you read the bill, that, as the provincial elections drew near the Quebec provincial government got panicky and unfortunately managed to transmit its panic to this government, with the result that we now have before us a bill drafted in involved legal gobbledegook, a bill which, on the face of it, raises a very obvious constitutional problem.

That is why, before the bewilderment and panic which have gripped our Conservative friends, I quoted last Thursday a thought expressed by an ancient author and which, I believe, applies to this case, when I said:

Whom the gods would destroy they first make mad.

Mr. Speaker, this bill therefore sanctions an interference and an encroachment, on the part of the federal government, about a direct tax levied by provincial authorities, and if we carefully scrutinize the speeches made by some Conservative members from Quebec, we may observe some reticence, some doubt and a deep concern about this bill.