

amendments to it. He said, "I am giving this to you because I hope you will go far in public life. If you do, may I say to you that there is no surer way of maintaining unity in this country than by maintaining the right kind of relationship between the provinces and the federal authority, where each looks after its own responsibilities." I think there was a great deal of truth in that observation. Our provincial and federal affairs are so now intertwined and mixed up, arising out of money needs, that I fear we will have increasing friction. We have a manifestation of it today in the difficulties between British Columbia and the federal authority over the Columbia River. Another manifestation is in the province of Quebec, where we see a type of movement afoot, which I can understand but I hope will not go very far, towards separating Québec from Confederation.

Other criticisms are sometimes levelled by public leaders in provincial affairs, that the federal authority is too niggardly in giving them money. On other occasions we find that the provincial authority says to claimants, "Well, this is a federal responsibility." Some municipalities come to the local government and say, "We want your help in this." The reply goes back, "Oh, no, that is a federal responsibility." And so it goes. To my mind, this has elements of dangers in it. I have no hesitation in saying to this house that so far as I am concerned I would like to see the responsibilities of the provinces vis-a-vis the federal authority clearly defined, and let each do its own part in trying to reach some readjustment of general revenues, so that each authority can discharge its obligations within its own sphere.

Then there is a proposal to expand scientific research. I think that is sound. However, I sometimes wonder if there is not a great deal of overlapping in the expenditures of moneys on research. Research work is being carried on by corporations, by universities, and by the federal Government, and I suspect a good deal of overlapping occurs.

Next I wish to mention the question of the maintenance of fair prices for farm and fishery products. That has taken a good deal of expenditure in the past. It has a very attractive and alluring appeal, and of course if a government is willing to hand out money for a particular interest or to any particular community, it will always find many takers who are willing to avail themselves of it. The money is not always wisely expended. For example, we have at the present time over 200 million pounds of butter in Canada. That is the result of maintaining a price structure on butter that is too high in relation to cream which goes into the making of

butter. The butter surplus is continually piling up. The proposal advanced, and I have no doubt the Government will agree to it, is to reduce the price of butter to consumers by the difference between 64 cents and 50 cents and to make up the loss to the producers by a subsidy. That is a blessed word—subsidy. We have a subsidy for this and a subsidy for that. But, honourable senators, there has never been a subsidy paid anywhere in this country yet for which the taxpayer did not have to foot the bill, and if our burden of taxation is as oppressive, as I believe it is, then this method of granting additional subsidies should be most carefully scrutinized.

Then there is also the proposal which we shall have before us in a day or so to pay acreage payments to farmers. I refer to the proposal in the supplementary estimates. Now the acreage payments will be of the order of \$42 million. Again, as a Westerner I may be accused of disloyalty to the Prairie country, but I am bound to say that in the vast majority of instances those payments are not vitally necessary to farmers. I know of farmers who have gross incomes of from \$15,000 to \$20,000 a year, yet each one of them is going to get his \$200 under this proposed acreage payment scheme. I know it is difficult to do, but if it were possible to segregate those who are in real need and pay it to them, we would save a substantial sum of money because I venture to remind the house now that when this supplementary estimate goes through, our total spending for this year will already—and we are two months away from the end of the fiscal year—be approaching and not very far from \$7 billion. If anyone thinks that is peanuts, he had better think again.

Now I come to the next item, and this is really the prize one—old age security. The Government proposes to increase at once, or as soon as legislation is passed, old age security payments by \$10 a month. That will be a great boon to gentlemen like, for instance, our colleague from Vancouver South (Hon. Mr. Farris) and his seatmate our colleague from Wellington (Hon. Mr. Howard). I am sure they need that additional pension. I also will be a beneficiary. Honourable senators, if we pay this additional pension at this time, along with the pensions to those in need between 65 and 70 years of age, of which the federal Government pays half and the provinces pay half, and also pensions to the disabled, the blind and one or two other categories, altogether we shall add immediately to our financial burden about \$125 million a year. Not only that, but we push the provinces, some of which are having some difficulty in financing, into additional spending to match the 50 per cent contribution from