

The Address—Mr. Breton

lems in the light of truth. Furthermore, we from the province of Quebec have, as French-Canadians, special reasons to defend our racial origin which add to the other reasons why our compatriot and the other members of the house want autonomy and individual freedom.

My hon. friend repeated accusations that may be heard in the province of Quebec. He repeated more than once in this house that the federal government was taking over provincial sources of taxation and I quote:

So that it is really the government which is to blame. It has monopolized taxation rights which, since 1867, belonged to the provinces...

These words were spoken by the hon. member for Three Rivers last year. They may be found at page 273 of the English translation in *Hansard* of December 2, 1952.

Mr. Balcer: It is true, and remains so this year.

Mr. Breton: This year, on Monday, November 16, he returned to the subject and stated:

I think that the federal government departs from the principles of the constitution when it lays its hands on all sources of taxation.

Now, Mr. Speaker, even though I might be repeating here what others have already said, I think it is necessary to bring this matter up again, because many people have not read the text of our constitution. Here is the relevant part, section 91 of the British North America Act:

It shall be lawful for the Queen, by and with the advice and consent of the Senate and House of Commons, to make laws for the peace, order and good government . . . the exclusive legislative authority of parliament extends to all matters coming within the classes of subjects next hereinafter enumerated: (3) the raising of money by any mode or system of taxation;

Note these words: "The exclusive legislative authority" and "the raising of money by any mode or system of taxation."

Does that mean, Mr. Speaker, that we are impinging upon the field of direct taxation, as it is felt in certain quarters or as my colleague would have us believe? This text is so clear that it has never been submitted to any ruling of the courts. Before the abolition of the appeals to the privy council, we had the right to appeal to England, and yet the legal right of the federal government to tax this way or that way was never disputed. Why? Because there was no doubt about it. When legislation is clear it is not necessary to ask a court to rule on it; the opinion of a court is sought when there is a doubt or a disputable point.

The Hon. Maurice Duplessis, the premier of Quebec, who declares himself to be the protector of the provincial autonomy, came here in 1945, 1946 and 1950, at the time of the federal-provincial conferences on taxation

matters, and he never said a word on such occasions about the federal government encroaching upon the taxation powers of the province of Quebec. More than that—for my colleague perhaps is not satisfied with the silence of the hon. premier of Quebec when he came to Ottawa—I will quote to him this time a statement by the leader of the official opposition (Mr. Drew) himself. In 1945, on the occasion of the federal-provincial conference held in Ottawa, the latter said:

The provinces were empowered to levy taxes in the field of direct taxation . . . whereas the dominion government was authorized to raise money by any form of taxation.

These words are to be found at page 11 of the report of proceedings of the dominion-provincial conference, 1945.

Shall we admit, as my colleague does, that the federal government, while exercising its fiscal rights in every field, has exhausted all taxation fields to the point of supplanting the provinces? Alas! I feel bound to tell my hon. colleague that a more serious study of the facts leads one to conclude that the federal government has not exhausted the fields of taxation for, since confederation, the revenues of the province of Quebec and all the other provinces have increased in the same proportion as the revenues of the federal government.

Do you want details? I have studied the matter in order to find out whether the federal government was really draining sources of revenue. Here is what I have found:

Year	Revenue in millions of dollars		Percentage	
	Federal	Provincial	Federal	Provincial
1867	\$ 13.6	\$ 1.8	88.4	11.6
1874	21.6	2.8	88.5	11.5
1896	29.9	5.6	84.5	15.5
1913	135.2	44.9	75.6	24.4
1937	464.3	173.8	74.7	25.3
1949	2,411.2	730.8	76.8	23.2

In 1949, federal-provincial agreements were signed which, at the present time, enable the federal government to pay the sum of \$300,000,000 to the provinces. Unfortunately Quebec was the only province that refused to be a party to those agreements.

An examination of those figures shows that the sources of revenue of provincial governments have increased year after year.

Through the tapping of new wealth in the province of Quebec, and the amazing development of that province, there has been an increase in provincial revenues. As a matter of fact, provincial revenues, which in 1939 amounted to \$60,000,000, today exceed \$300,000,000. Meanwhile, the federal government is forced to devote 50 per cent of its budget to war appropriations, while the prov-