

Dominion-Provincial Relations

Mr. Pickersgill: Oh yes. Then I say what my right hon. friend the member for Quebec East said before the election. He believed the policy of the Tory party, and he believed this because Mr. Frost stood on platform after platform in Ontario—and I have many quotations in my pocket if anybody would like me to read them—and said, “These Liberals cheated us out of \$100 million.” These are not the precise words, but Mr. Frost said, “We have to have \$100 million more; we are entitled to \$100 million more.” He pointed to the present Prime Minister and he said, “And there is the man who will get it for us.” That was the kind of appeal made in Ontario in the last election. It was made all over the province and my right hon. friend observed this and drew the conclusion, which most of the rest of us also drew and which I believe is the correct conclusion, that it is intended if the Tory party ever gets a majority—which I do not believe it ever will—to give the lion’s share of what the provinces get out of these taxes to the province of Ontario and to abandon the principle of equalization. That is why this additional payment is being made for only one year. Why is it not being done for four years as the Atlantic provinces grants are being made for four years? It is being done for one year because hon. gentlemen opposite cherish the hope—the illusion—that they can fool the people, get a majority, then pay off their friends in Ontario and forget the rest of the country.

Mr. Martin (Essex East): Mr. Speaker, I should like to say a word. There are some occasions, when matters of great importance justify a repeated argument. As the hon. member for Winnipeg North Centre said in one passage of his speech, which I believe was one of his most eloquent and powerful utterances in this house, an important point deserves emphasis and repetition.

It seems to me that in respect of this matter we are dealing, as we rarely have an opportunity of doing in this house, with one of the fundamentals of the structure of government in Canada, and not only with one of the fundamentals of the structure of government but with one of the elementary principles involved in the preservation of the unity of this country.

The Minister of Finance and I both studied at the same university, as he has on several occasions reminded the house. We were taught by the same professors and from the same textbooks. He will recall W. P. M. Kennedy’s “Constitution of Canada” even better, perhaps than I, because his pre-eminence as a student was outstanding in those days. He will remember the implications of some of the final paragraphs in

Kennedy’s book on the constitution of our country, and I wonder whether it is too late now to make an appeal to the minister, with his undoubted theoretical knowledge of the nature of our confederation. All of us in this country are not agreed as to the character, legal or political, of the concept that brings us together into one nation. There are some who hold the compact theory. There are others who argue that the powers of the provinces have been set out in section 92 of the British North America Act, and while there has been specific enumeration of the powers of the dominion under section 91, nevertheless there is an over-riding interest of the nation as a whole that must be subscribed to by recognizing the primacy of the dominion.

I am asking the Minister of Finance this afternoon, in the light of the nature of our confederation, whether one subscribes to the former or to the latter view of the nature of confederation in Canada, is it not conceivable that one of the most effective ways of preserving the unity of this nation and of providing for the basis of good government is by the kind of pattern of consultation, maintained between the two senior levels of government? This is a fundamental question, and in my 22 years in this parliament I know of only one occasion when there was a more persuasive reason for making the kind of observation I am about to make. Certainly I know of no other occasion in the matter of federal-provincial relationships involving the allocation of moneys collected by the federal government from all of the people of Canada than this amendment where allocation has been proceeded with on a basis so contrary to the very spirit of confederation itself, whether one subscribes to either one of the two theories to which I referred earlier.

Undoubtedly, because of its unlimited taxing power, the federal government does not have the same problem as do the provincial governments, although the problem for the federal government of acquiring the necessary revenue to carry out its obligations is believed great. For this reason the federal government has from time to time embarked on programs designed to supplement the work of the provinces, in the field of health and social services, and so on. But there is a difference between grants in aid made by the federal government to the provinces for specific purposes, and grants made by the federal government for the purpose of enabling the provinces themselves to carry out obligations imposed on them by section 92 of the British North America Act. I mention