

The Address—Mr. Breton

their revenues are fixed and limited to the real estate tax, which cannot be substantially extended. Well, it is up to the provincial governments to see to it that municipalities get adequate revenues by granting them taxation rights which they can theoretically grant to them in equal measure to their own taxation powers. If, for example, the province of Quebec wanted to grant taxation rights to the city of Montreal, it could let it tax gasoline or motor cars, or require new licences, in a word it could let it levy direct taxes.

It is not a federal problem, but a provincial problem. And, in this connection, Mr. Speaker, I think that Quebec municipalities should consider what is done outside the province, in Canada as well as in the United States, to work out municipal problems. They should consider how the province of Ontario has tried to solve the municipal problem. The city of Toronto, for instance, gets at the present time subsidies of \$4 per capita to meet expenses, and I do not think that its autonomy is less than that of the municipalities in the province of Quebec.

Well, Mr. Speaker, I think I have answered practically all the arguments put forward by my hon. friend. May I be allowed to sum up the debate briefly.

To start with, my colleague upbraided the government for having monopolized all the fields of taxation. I have endeavoured to prove that, under our constitution, the federal government is empowered to levy taxes in all sorts of ways. Then, according to my colleague, the central government dries up the field of provincial revenues by seizing upon all possible sources of taxation. I hope, Mr. Speaker, that I have succeeded in proving to the House of Commons that provincial revenues have compared favourably with those of the federal government since the beginning of confederation; consequently, the provinces—and more particularly the province of Quebec, which takes a greater interest in the constitutional debate—have all the revenues they require to solve the municipal, educational and provincial problems which they have to face.

As far as subsidies are concerned, it has been said that they were contrary to the spirit in which the fathers of confederation endeavoured to draft the constitution. I have tried to establish the reverse, i.e. that the fathers of confederation established our

constitution on the basis of a redistribution of subsidies from the central power to the provinces, in order to re-establish the balance which should exist between the federal and provincial governments in the administration of one or the other of these powers.

Then the central government has been accused of meddling, through the granting of subsidies, in the educational field, which is strictly reserved to the provinces. I raise this question not in order to give it an answer, but simply to state that it would seem to me that to make an unconditional gift or grant to some public body—or at least to grant that sum for the very purpose for which that body has been set up—does not necessarily constitute an encroachment upon the established jurisdiction in the field of education. I do not think, Mr. Speaker, that the fact of giving this money could affect anyone's autonomy, for the distribution of grants neither signifies a control of education nor does it define its form. But, here again, as I told my good friend last night, I did not intend to pass judgment, because I believe the matter to be contentious. Now, if the province of Quebec believes that, not only its own interest but that of all the other provinces is endangered, and if it is unwilling to submit the matter to the Supreme Court, we could proceed by way of an amendment to the constitution. It has, however, been found difficult to obtain such an amendment.

Once more, Mr. Speaker, if the province of Quebec has concrete proposals to put forward for the solution of that problem—the chamber of commerce and the federal government are waiting for such proposals from the province—let that province bring in a solution which would be acceptable to all provinces and then let it expound to the federal government, at a conference, what it believes to be necessary reforms. I certainly am of the opinion that the federal government would welcome such proposals.

I believe that grants do not constitute the ideal way of solving our constitutional problems and of bringing back a proper balance between the federal powers and the provincial powers. However, the fathers of confederation could not find a better way of protecting the powers of everyone interested and of making sure that they would fulfil the purpose for which they were being created. Surprisingly enough, the system has been in existence for 75 years and the province of Quebec is surely none the worse for it.