

*Dominion-Provincial Relations*

perfectly clear and is confined properly to the exercise of what is clearly federal jurisdiction.

What on the other hand is the effect of opposition to this bill, the kind of attack that was delivered on the bill by the hon. member for Laurier and other hon. members opposite? If that is the position of the opposition, then it means that Quebec—if that position were to triumph—would be denied, as it was before, the benefit of the legislation, the benefit of the equivalent of those federal grants. But for this bill Quebec would have been doomed to be denied the benefit of these provisions. Had hon. members opposite continued in office it never would have received one cent because they would not have changed their formula which they have praised so loudly in the course of this debate. They would not have changed it and Quebec would have had nothing.

**Mr. Pickersgill:** How do you know?

**Mr. Fleming (Eglinton):** We will not be misled by their double talk now. Quebec would not have had the benefit of the more than \$25 million which has now been distributed.

**Mr. Pickersgill:** Under the St. Laurent formula.

**Mr. Fleming (Eglinton):** If the Liberals had continued in office they would have continued to sit tight. They would have continued their nefarious efforts to starve the province of Quebec into submission. I say very firmly that we of this government were not prepared to stand idly by and see a great province of this country treated in that discriminatory manner. In the view of this government, unlike the former government, there are no second-class provinces in this country.

Let them praise their formula. Let them take the new formula proposed, whether in relation to university grants or in relation to the increase that this bill provides for the remaining two-year period covered by the Federal-Provincial Tax-Sharing Arrangements Act in the provincial share of the yield from the personal income tax. They say their formula was so wonderful. They are full of praise of it. If their formula had continued in effect, and it would have if they had continued in office, the provinces of this country, in respect of the yield from the personal income tax, would have gone \$55.9 million short in the fiscal year 1958-59 compared with what they did receive under the present government; \$65 million in the fiscal year 1959-60; and an estimated \$68.3 million in the present fiscal year. That is just \$190

million to date, and the hon. member for Bonavista-Twillingate (Mr. Pickersgill) says that is a mere nothing.

**Mr. Pickersgill:** I never said anything of the kind.

**Mr. Fleming (Eglinton):** In addition we are providing \$100 million through the Atlantic provinces adjustment grants. Therefore, with another year to go beyond the present fiscal year in relation to the increase of 3 per cent in the yield from the personal income tax and in addition to the Atlantic provinces adjustment grants you will see that the provinces, as a result of the changes made by parliament at the request of the present government, will have derived by the end of the five-year period more than a quarter of a billion dollars that they would not have had if there had not been a change of government. That is quite apart from the increases we have made in the provision of university grants and in the provision that is now made by this bill in its other feature.

The last point I wish to mention is that the hon. member for Laurier sought to make a virtue out of the fact that there was no lapse in recent years in connection with the provisions that were made and the share of the institutions of learning in the province of Quebec simply accumulated. I do not like to say it was the Liberal purpose but it certainly was the effect of Liberal policy that the growing accumulation year by year had the effect, and I suspect was intended to have the effect, of exerting ever-increasing pressure on the province of Quebec to yield.

**Mr. Pickersgill:** It was to make sure they would get their share.

**Mr. Fleming (Eglinton):** That accumulation began in 1956 and, but for the present government and the present measure it would have simply continued to accumulate rather than being available for distribution upon acceptable terms. I say that there is no virtue in mere accumulation. The fact is that there is some definite virtue and, I think, satisfaction to parliament in the fact that we have worked out a method that has enabled the distribution of that accumulation to be made on an acceptable basis.

Finally, I say that this is a commendable measure. It is fair to all. It is fair to all persons in this country and to all provinces. It takes nothing from any person or from any province. There is no interference whatsoever with the jurisdiction of any province. This measure respects fully the constitutional rights of every province, their rights in respect of taxation, their sacred rights in respect of education. All of the rights of the