

Hon. Mr. Haig: I would not like to say that it is satisfied. That is the amount that was decided upon as a fair contribution to the province, to be paid each year over a period of four years.

Hon. Mr. Taylor (Westmorland): But it was not determined by any particular formula?

Hon. Mr. Haig: No; that is a straight contribution.

Hon. Mr. Roebuck: Honourable senators, may I ask the honourable senator from Westmorland (Hon. Mr. Taylor) if he justifies on the grounds of equalization the payments of millions of dollars every year to the provinces of Ontario, Quebec and British Columbia?

Hon. Mr. Macdonald: I do not think Ontario gets an equalization payment.

Hon. Mr. Taylor (Westmorland): As I understand it, there are no equalization payments to the provinces of Ontario and Quebec. These are payments to the Atlantic provinces to equalize their position with that of the richer provinces.

Hon. Mr. Roebuck: I do not think the house has followed the significance of my question. The only justification, or attempted justification, for these payments by the dominion Government to the provincial Governments, is on the basis of equalization. How can you apply that principle of equalization to the payments to the richest provinces?

Hon. Mr. Brunt: May I interject a word, honourable senators? I think the honourable senator should keep before him the fact that there are two parts to this bill. One part deals with the equalization payments and nothing else; that is the first section, which provides for payments to the Atlantic provinces. The second part of the bill deals with an increase from 10 per cent to 13 per cent of the province's share in the income tax collections and has nothing to do with equalization payments. That is an additional payment to all provinces.

Hon. Mr. Euler: An additional subsidy.

Hon. Mr. Brunt: There is no equalization payment in this bill for British Columbia, Manitoba or Quebec. It is only in respect of the four named provinces.

Hon. J. W. deB. Farris: Honourable senators, I want to say only a word. I listened with great interest to my honourable friend the Leader of the Opposition (Hon. Mr. Macdonald), and it seems to me that his thinking might be carried a little further.

We are now at about the end of the session and we are passing legislation that imposes heavy demands on the federal treasury. But

we have been doing that ever since the session began: enactment after enactment has been passed during this session, imposing a heavy drain on the federal treasury amounting to many millions of dollars. Yet I cannot recall one single piece of legislation of a constructive nature that is going to help meet the drain of this succession of attacks on the treasury. I would like to ask my honourable friend the Leader of the Government (Hon. Mr. Haig), or any honourable member of this Senate, if anybody has made a serious attempt to add up the total expenditures by which we this session are increasing the drain on the federal treasury? I spoke here last fall on this question. A lot of legislation has since been passed. At that time I pointed out that what we were doing was putting our hand into the pot of gold that had been provided by previous Governments and spreading it around.

Honourable senators, I think the time has come for the Government to tell us, either by a budget or a frank statement, how many millions of dollars the performance of this session is going to cost the country. Then, after we have been told that, I think we ought to be told how the Government is going to look after it. Will the Government's action be consistent with the promise of decreased taxes or merely a postponement of the evil day?

It seems to me honourable senators, that these are vital questions that cannot lightly be passed over, and they should not be headed off until after there is an election.

The motion was agreed to, and the bill was read the second time.

THIRD READING

The Hon. the Speaker: Honourable senators, when shall this bill be read a third time?

Hon. Mr. Haig: I move the third reading now.

The motion was agreed to, the bill was read the third time, and passed.

ANNUAL VACATIONS BILL

SECOND READING

Hon. William R. Brunt moved the second reading of Bill 16, to provide for annual vacations with pay for employees in federal works, undertakings and businesses.

He said: Honourable senators, at the opening of my remarks on this bill I would like to say to my good friend the honourable senator from Toronto-Trinity (Hon. Mr. Roebuck) that although he did not like the principle of the Agricultural Stabilization Bill, which we passed yesterday, I feel sure