

I have just one other point that I wish to make in connection with this matter. What is the situation today? Letters have gone out to the provinces saying the government will use \$27,000,000 more and spread it around among the provinces, on a certain basis, making \$227,000,000 in all, if they will all get out of three tax fields. If they will not all get out of those fields, the government says it cannot go ahead on these other social security and investment plans. Suppose you do not get unanimous agreement, what then? Are you going to forget about these social security and public investment plans, facing the kind of future we may face in the next two, three, four or five years? This government does not want to face a condition like that, unprepared. That is why, with all respect, I urge on the government the necessity of reconsidering its views. Try to get unanimity now. The thing you have now offered is not equitable. The present Minister of Finance, after he made this deal with British Columbia on a more generous basis than with any other province, and after the protest of the Premier of New Brunswick, came along and said, "We are going to try to get something that will give greater equity or a greater measure of equity," or words to that effect. There is one way in which he could have done that and that is by saying, "We will give as much per capita to each province in Canada as we give to British Columbia". That would have been equity. But that would have cost this country in taxes \$270,000,000 or thereabouts. So his men hunted around and tried to arrive at a formula; they called it a formula. They concocted an arrangement of a per capita grant, plus a part of the statutory subsidies.

Mr. ABBOTT: The whole of the statutory subsidies.

Mr. BRACKEN: I stand corrected. The whole of the statutory subsidies.

Mr. ABBOTT: Fifty per cent of the personal and corporation taxes collected in 1940.

Mr. BRACKEN: Yes. A combination of those three. But when you put those things together, they do not give us equity, and that is the point I wish to refer to now. I have had prepared a statement of what this new policy, if it came into effect with all the provinces, would give the provinces per capita this year. In getting at these figures, I asked, as a matter of information, what the per capita payment by the dominion was under the wartime tax suspension agreements. Those agreements were made one by one early in

[Mr. Bracken.]

the war on the basis of substantially what the provinces were getting from those taxes, but they worked out unfairly. One province, Nova Scotia, got less than \$5 a head. Another province, British Columbia, got \$13.85 a head. Why? Because the taxes that were taken over had not been raising more than was given. I am only pointing out that it was not equitable in war time, and that is borne out by the government's present plans to try to get something more nearly equitable.

How do these present plans work out? For 1947, worked out on the basis of these new proposals, the total amounts divided by the population, what does the statement show? It shows an average per capita grant of \$18.46 for all Canada. What does it show as to each province? The province getting the least is Quebec, which gets \$17.29 a head, \$4 a head less than British Columbia. I should like to ask the Prime Minister and the government if they want to take the position that each man in Quebec is worth \$4 a head less than one in British Columbia or more than a dollar a head less than the average other Canadian.

What are the figures? Here they are, if anybody wants to take them down. Prince Edward Island gets the most, \$24.31. Nobody criticizes that very much because it is a small province. Nova Scotia gets \$19.20; New Brunswick \$19.69; Quebec, \$17.29; Ontario, \$18.04, giving Ontario more per capita than Quebec; Manitoba, \$19.77, \$2.50 a head more than the province of Quebec. Note the inequities under this plan that is supposed to give us equity; Saskatchewan, \$19.03; Alberta, \$18.64, and British Columbia, \$21.19. With these figures facing us, showing that even this plan does not work out equitably, and with the fact staring us in the face that if we do not get unanimity, the government itself has said that it cannot go ahead with its social security and public investment policies, are we not then stymied?

What is the consequence? Either we are stymied, do nothing, and run the risk of not being able to meet a possible depression, or are we to have an election? I hope the Prime Minister will not make that an issue in an election. This is a matter we should be able to settle around the council table. This government is sending delegations to eight or ten or a dozen international organizations trying to settle international disputes, yet it is denying the provinces the right to come here and sit in on a question like this. Recently the government made representations to the Big Four that we should have an opportunity to