

The Budget—Mr. Drew

48 per cent; the provincial governments got 22.3 per cent and the municipal governments 29.7 per cent. Last year the dominion government took 77 cents of every tax dollar, leaving 23 cents to both the provinces and the municipalities, less in percentage than what the municipalities were getting in 1939.

If the dominion government has to have a higher concentration of the tax dollar than they now have, all the authority of the provincial and municipal governments will be gone entirely. That is what this statement is reduced to; that is what it means. I hear an hon. member suggesting that that is what they want. Everything that they have done indicates that step by step they have forced the provinces into the position where they are going to find it most difficult to carry on.

I was interested in the interjection by the Minister of Justice (Mr. Garson). I should like to hear the Minister of Justice tell us whether he approves of the present proposals put forward by the Minister of Finance (Mr. Harris), because the Minister of Justice has been going all over the country saying that the agreements and the agreements alone must be preserved, and nothing else. Anything else would be almost disloyalty.

Yet the Prime Minister and also the Minister of Finance have announced that they are going to have a dual system. They are going to have a system of agreements and a system of tax exemption; if some province becomes sufficiently noisy about its position, or should I say sufficiently vigorous in its demands, may we not have another system? Certainly the principle, enunciated by the Minister of Justice, of agreements only and nothing else has gone. As he knows, that has gone in the proposals put forward by the Minister of Finance. I have no doubt that the Minister of Justice intends to support them because they are put forward by the Minister of Finance.

If with the concentration of funds now available this government cannot carry out its undertakings, then they never could have carried them out. Therefore we are in the position that the only way in which anything can be done would be by a still greater grasping of provincial and municipal funds and for all practical purposes the extinction of provincial and municipal rights.

I might point out another rather significant fact, referring again to the book I had in my hand earlier this afternoon.

An hon. Member: Read it.

Mr. Drew: I cannot help pausing for a moment to hear the remarks from the other side as hon. members express their approval

of this book and its contents and yet repudiate it. I urge them to reread the book, particularly the statement in regard to the implementation of the 1945 proposals. When the Prime Minister tells us that it is rather difficult because of the expenditures on national defence, I need not remind hon. members that in 1953 when the election was under way the expenditures on national defence were far higher. If there was any honesty of purpose behind that declaration in 1953, then they are better able to fulfil that obligation today than they were in 1953.

Mr. Ferguson: Do not remind the Prime Minister of those election promises. It is not fair. Oh, that is mean.

Mr. Drew: I should like to point out one further significant and important fact. The proposals put forward by the government of Canada at the conference last week were proposals to deal with unemployment at an unnamed time and on the basis of unknown facts. But what the people of this country want to know is not only what this government is prepared to do now in regard to those who are actually unemployed, whichever figures of their own they use; we want to know what this government is prepared to do now to stimulate this country so that there can be employment. What we should be talking about is the creation of employment. No country in this world has it within its power to create employment and expand production as we have here in Canada, with sufficient vigour and energy on the part of the government and its people.

We have heard already during the course of this debate that the government has confidence in the country, leaving the implication that others have not. Mr. Speaker, we have confidence in this country, and we have confidence that we have to encourage the development of the limitless resources we possess, and for the production and fabrication of which we have such enormous resources of industrial energy in the form of hydroelectric power, coal, oil, gas, uranium—all these things. We say that, with the development of these, there is full employment for all here and full employment for millions more in the years immediately ahead.

An hon. Member: All we need is a new government.

Mr. Drew: All this calls for action. The Minister of Finance gave a rather school-masterly bit of advice to the manufacturers. He told them that they had better pull up their socks and meet the situation. This