

Even if it were possible for the central government to allow Quebec taxpayers the deduction of such an amount from their federal tax, without jeopardizing the fiscal agreements with the other provinces, that would not solve the problem.

In my humble opinion, the province of Quebec has never asked for enough.

What we Liberal members from Quebec in this house want is the full participation of our province in the economic development of the Canadian nation.

What I now ask for, on behalf of the taxpayers of my province, is the full measure of financial co-operation, made available to the province of Quebec by the government of my country.

If it is not possible for the Quebec government to recover the hundreds of millions it has already lost, often under the most futile pretexts, let us strive, at least, to show more solicitude for our fellow citizens, the taxpayers of Quebec, and try to find a formula acceptable to both parties concerned.

We all know that the fiscal agreements between the federal government and the provinces provide for the rental of three taxation fields, personal and corporation income taxes, and succession duties.

Yet, we also know that with the consent of the other provinces that have signed fiscal agreements, the Canadian government made an exception in the case of Ontario, which still levies succession duties, the proceeds of which are deducted from the total amount granted to the province under the fiscal agreement.

Does this exception, in the fiscal agreement with Ontario, with regard to succession duties not point to the possibility of co-operation, wherein the governments of Quebec and Ottawa could work out a *modus vivendi*, at least on a provisional basis, under which Quebec might obtain a larger part of tax revenues, without hardship for her taxpayers and without jeopardizing the present fiscal arrangements?

Would it not be possible, with the consent of the other provinces, to extend to the collection of corporation taxes in Quebec the exception granted to Ontario in connection with the collection of succession duties, besides extending this latter exception to the province of Quebec?

I have not much experience in financial and intergovernmental matters of this magnitude but is there not in this a possibility which would justify a more thorough investigation by men of good will, working quietly, secure from indiscretions and blatant publicity?

In return for this important concession on the part of the federal government and the provinces which have signed fiscal agreements, would it not be possible for the government of the province of Quebec to agree, without renting its taxation fields and while continuing to collect succession duties and corporation taxes as it does now, to a suspension of its individual income tax law, in order to avoid double taxation in Quebec, and could not the province conclude with the federal government a special and temporary financial agreement providing for the payment, by the federal government, of amounts considerably higher than those the province could collect under its latest income tax act?

During the present debate other formulas leading to an honourable compromise may be put forward, no doubt, but the one I am suggesting, in all humility, sincerity and good faith, would result in the following:

1. It would require, on the part of the province of Quebec, no tax rental agreement whatsoever;
2. It would encroach in no way, either upon provincial rights or upon the rights granted to the federal government by our constitution;
3. It would interfere in no way with the existing fiscal agreements between the federal government and other provincial governments;
4. It would do away with double taxation on personal income in the province of Quebec;
5. It would mean for the government of Quebec financial advantages substantially greater than those which a provincial personal income tax might make possible.

Moreover, as soon as the communist menace lessens or vanishes, as soon as the international tension eases, the national defence expenditures will proportionately go down, and the federal government, no doubt, will greatly reduce taxes, especially the personal income tax.

Such a situation would make it easier for the federal government, with the co-operation of the provinces, to bring about important amendments to fiscal agreements now in force, in order to enable the provinces to resort, in