

*Supply—Finance*

sympathize with the minister in his attempts to cope with this problem, although we may have had a rather sardonic entertainment out of watching him rush to one door to close it, and then rush to another door on the other side of the building to open it because of the problems created by shutting off the inflow of capital from abroad.

This is a serious problem which cannot be dismissed by pretending that it is not important to Canada. My only regret is that the minister was unable to achieve some more effective method of safeguarding Canada's economic, and I think eventually political, independence than he was able to achieve. I think the trouble perhaps lies in the context in which he attempted to do it, and that the only method of solving this problem is by a method which will be repugnant to the Minister of Finance and his colleagues; that is, a massive program of public investment.

For that reason I regret another angle of government financial policy in this regard, and that is the terms under which the portable pension plan has been set up. I feel that here was the opportunity to cope with two problems at once; one to provide suitable retirement allowances for the Canadian people, and the other to pool Canadian savings for investment to achieve this purpose of independence. I think that there are matters with which the government will have to deal within the next few years. I know of no other way to do it than by the method of heavy public investment, and I hope that before long we may be able to applaud the minister for following that policy.

There is one other matter I want to mention while on my feet, and I think this is also a serious problem for Canada. I have been a little disturbed in noting the results of the recent dominion-provincial conferences. It seems to me that the federal government has been coming perilously close to the danger line with regard to the relinquishing of fiscal authority in the hands of the central government. I may say that I was particularly disturbed at the acquiescence on the part of the federal authorities to the relinquishment of a great part of the succession duty imposts. Because it seems to me that if there was one field of our federal fiscal policy which should have been maintained it was the retention of that particular impost in the hands of the central government, both from the point of view of equity and from the point of view of financial management. From the point of view of equity I think there is no doubt that large estates in Canada are usually derived from investments throughout the whole of the country, and it is manifestly unfair to permit the province in which the testator happened to be living at the time of his death

[Mr. Cameron (Nanaimo-Cowichan-The Islands).]

to reap all the taxation benefits from it. But I think that even more important is the whole general problem of the care the federal government must take to see that it retains in its own hands sufficient fiscal authority to enable it to embark on programs of economic expansion from which the provinces can benefit.

Also I suggest that if this process is allowed to go too far it will impair the ability of the federal government to manage the Canadian currency effectively. These are matters on which the federal government should stand firm and it should not allow other considerations to be brought into the picture. I have been concerned to notice the way in which these strictly economic questions have become involved with emotional considerations such as biculturalism, bilingualism and provincial rights. As one who has a great sympathy with our French speaking compatriots with regard to the concern they feel for their language and culture, I must still point out that these demands to establish complete provincial autonomy so as to support emotional considerations are fraught with great danger to Canadian confederation. I do hope that the minister and his colleagues will place this question firmly before, not only the province of Quebec, but my own province of British Columbia, which to my mind made much more separatist demands than did the province of Quebec itself. And the government of British Columbia had less excuse for doing so because the province of Quebec is subject to emotional considerations which operate in this field, whereas I regret to say in the case of the province of British Columbia and, to a lesser extent, the province of Ontario, it was sheer greed and selfishness and a dislike of sharing burdens of bringing the least fortunate parts of Canada up to the status of the three wealthiest provinces.

I would say the government has gone as far as it can safely go in acceding to the demands for autonomy which have been coming from the three largest provinces of the country, and I hope that all members of the House of Commons from whatever part of Canada they come will support the government in firmly resisting any further dangerous diminution of federal power in the fiscal field. These are the matters which I thought we should be considering and I hope the minister will come before us early in the new year with firm proposals which will, perhaps, be more successful than some of those presented in the past, and that he will bear these things in mind. We rely on the Minister of Finance perhaps most of all to