

*Income Tax—Deduction of Quebec Tax*

of Quebec on that point I shall quote, among hundreds of others, an opinion voiced in the brief submitted recently to the Tremblay commission by the University of Montreal:

Some people do not like to hear it said that confederation has been a pact between two races. One has only to make an objective and impartial study of the Canadian constitution to immediately see the special position in which the province of Quebec was placed. Section 133 could not be more definite. Its provisions concerning language and the right to use it in the federal parliament together with the attendant obligation to publish the statutes in both languages that is in Ottawa as well as in Quebec (in the latter case for the benefit of the English-speaking citizens) show that in fact the confederative act has been an agreement between two racial groups of different languages, religion and traditions which they aimed to preserve.

I surely feel justified in quoting at this time an editorial which appeared recently in a Quebec newspaper, *Le Soleil* to mention it by name, and which was reproduced on February 22, 1954, in *Le Devoir*. It reads:

*Independence before dollars*

Indeed, the province of Quebec suffers heavy material losses by opposing, all by itself, the encroachments of a centralizing government. No matter how great a monetary loss she may suffer, the province still holds much dearer the privileges and liberties which were granted her by treaties involving British honour. Those privileges and liberties were formerly guaranteed under the confederation pact, which the province's religious and political leaders would not have endorsed without this guarantee. Apart from what she may derive from her inheritance, the province of Quebec wants to keep control of her civil laws, her educational and religious liberties and her social traditions. She relies on the fairmindedness of her friends and witnesses from the other provinces to ultimately acknowledge that her case is just and honourable.

Mr. Speaker, when one reads such words, inspired by the purest nationalism, it is impossible to refrain from making a travesty of a famous line of verse and ask: "How into such fine gold has that base lead been changed?" The supporters of the Liberal party who seem to oppose in this house the suggestion of my colleague from Chicoutimi (Mr. Gagnon) will have a hard time to reconcile their views with the attitude adopted by their official organ in Quebec.

It has been said that the federal government had to get as much revenue as possible in order to redistribute that money among the poorer provinces. This argument is put forward in favour of a greater centralization of direct taxation at Ottawa. It is claimed that if the amount which the taxpayer from Quebec will have to pay is deducted from the federal income tax, the province of Quebec will no longer be helping the poorer provinces. I hate to put forward opinions of too categorical a nature—one can always err in spite of good intentions—but this time I say without hesitation that nothing could be farther from the truth. Other speakers have

[Mr. Poulin.]

established—or will do so, I hope—that should such a deduction be made the province of Quebec would be far from getting as much money as it would have obtained if it had been a party to the financial agreements which the other provinces have accepted. Therefore, through that accounting operation, there is a deficit which becomes a surplus for the central government which, in turn, redistributes the money among the poorer provinces.

The province of Quebec, which is naturally rich—I admit it and I thank Providence for it—will therefore continue to help the poorer provinces, even if the central government allows the deduction of the tax that will be paid by the Quebec taxpayers to the provincial government.

One might perhaps object as follows: But tell us, what has the province of Quebec to worry about? What are the rights of which she could be deprived? What privileges could be taken away from her through more or less encroachment upon her autonomy? In replying briefly to that objection, Mr. Speaker, I shall try to put aside all question of sentiment because I am prepared to take for granted the intelligence of the hon. members of the house, to whatever party or group they may belong.

It is generally admitted today, to quote a concrete example, that the way things are going, within a few years we shall have some sort of health insurance program in which the state will have a word to say.

Let us suppose that the province of Quebec, owing to the fact that her field of taxation is practically saturated, does not have the financial means of setting up an *ad hoc* system, the federal government will do it. Therefore, for all practical purposes, I can see there a serious threat to the principles and morals of the French and Catholic people of Quebec.

I once mentioned here the case of Dr. Chisholm, who was deputy minister of health not so long ago, and I could mention others. Mr. Speaker, can you see what would happen if an individual of that type were to avail himself of his influence and position to have regulations drafted regarding hygiene and medicine in our Catholic hospitals? I shall not dwell on the point, because I think the house understands what I mean.

I am well aware that above those civil servants, there are always the ministers who take responsibility for their decisions. However, if I may say so with due respect, I definitely feel that the ministers do not always do what they want, even with the best intentions in the world. How else could you explain that we do not have yet bilingual cheques, for