

Interim Supply

Mr. Nielsen: Mr. Chairman, I rise on a point of order. I have been watching the hon. member since he started his speech and he has been reading all of it, except for the interjection by the Secretary of State. I refer you, sir, to citation 144 of Beauchesne, which states that the rule of this house prevents a member reading his speech because it may have been written by somebody else. I think if the rules are going to be applied, they should be applied to the hon. gentleman.

Some hon. Members: Shame.

Mr. Douglas: Mr. Chairman, if I may proceed—

Mr. Nielsen: May I have a ruling on my point of order, Mr. Chairman?

Mr. Pickersgill: Before Your Honour rules, may I say that I hope the usual courtesies that have normally been extended in this house will be extended to the hon. member for Burnaby-Coquitlam?

Mr. Douglas: I was trying to save the time of the house by keeping fairly close to notes rather than making a rambling speech. I am therefore confining myself fairly close to my manuscript. I shall be glad to throw it away and take all the time necessary, if that is what the committee wants done.

I simply say if Canada is to go forward she must go forward as one people; with two languages and two cultures and proud of our diversity, but united as to our ideals and objectives. Nothing that I have said about unity in economic affairs precludes the fullest development of bilingualism and biculturalism. Before I go to the point which was raised by the Secretary of State, in the view of the New Democratic party Canada is composed of people from many lands. Our constitution recognizes two official languages and two cultures stemming from the two nations which came together to form the partnership of confederation.

If those of us who are English speaking Canadians have not always lived up to the spirit of that partnership, then we must re-examine our actions and mend our ways. I think we are doing that today more seriously than we have ever done it since 1867. I want to make it perfectly clear to the Secretary of State that talking about an economic entity is one thing and talking about binationalism and biculturalism is a totally different thing. We are talking in one field in economic terms and in the other about social relationships and cultural areas of living.

[*Translation*]

Mr. Pickersgill: That is something I understand.

Mr. Knowles: That is very kind of you.

[*Mr. Douglas.*]

[*Text*]

Mr. Douglas: I am not suggesting, Mr. Chairman, that the provinces do not need more revenues to carry out the responsibilities allocated to them under the British North America Act. On the contrary, I believe the provincial governments have an unanswerable case for a larger share of the direct taxes, particularly income taxes and corporation taxes. At the present time the provinces are getting about one fifth of the revenue from the three shared tax fields. It seems to me that the request for 25 per cent of the income tax revenue and 25 per cent of the corporation tax revenue is reasonable. Most of the provinces will undoubtedly spend this money, if they get it, on education, because their municipalities simply cannot hope to meet the increasing costs of education as they are at the present time and as they are anticipated over the next ten years.

However, Mr. Chairman, it is a totally different thing to talk about a larger portion of the shared tax fields for the provinces and to talk, as some have done, about the federal government being asked to vacate the present tax field entirely and leave each of the provinces to fend for itself. Some provinces might do well, although even that is doubtful in time of economic recession. There are provinces which would suffer very greatly. We must keep in mind the difference in tax potential as it obtains among the respective provinces. It is estimated today that to raise \$10 per capita of its population, the province of Ontario would require to increase the income tax rate by 6 per cent; Newfoundland would require an increase of 23 per cent and the province of Prince Edward Island an increase of 31 per cent.

Now, surely one of the functions of the federal government is to equalize opportunities among the various regions of Canada so as to guarantee a minimum standard of health, welfare and educational services for every Canadian irrespective of geographical location. It should be remembered, Mr. Chairman, that the money collected in taxes in any one province was not necessarily earned in that province. We have banks, insurance companies, railways and large corporations like oil companies which make their money all across Canada but pay their taxes in the province where their head office is located. Much of the income on which they pay this tax was earned in various parts of Canada. Those parts of Canada where the wealth was actually produced are entitled to some share of that revenue.

The same thing is true with regard to succession duties. When succession duties are levied, they are levied in the province where the deceased passed away and the will is