

Loans to Students

make him think. The placing of certain minimum standards of qualifications in the act I think are justified.

The former government recognized the needs of universities and, as has already been stated in this house, we doubled the per capita grants to universities, made available long term, low interest loans for the construction of student residences, provided for certain income tax deductions of university tuition fees and various other things that could be mentioned. I think the hon. member for Burnaby-Richmond (Mr. Prittie) elaborated on the financial assistance that is being given to education and research this year, and I am not going to enumerate this assistance. But I did jot down the amounts and I think they total something like \$156 million. That is certainly a substantial amount of federal money to be going toward education.

I think it is readily recognized that the costs of education have skyrocketed. One has only to look at one's real estate tax these days to realize the extremely heavy burden borne by municipal taxpayers to meet the costs of education at the elementary and secondary levels. In my own province of Manitoba there has been a resolution in education by the establishment of larger school divisions and the provision of school transportation, with the attendant added expense on roads. The small, eight grade, one-room schoolhouse is now disappearing along with unqualified teachers. Educational opportunities in rural areas are being equalized. All this is for the good of our young people and our country. Therefore, the heavy burden of local taxes has not been complained about as much as some people would expect, because I believe the taxpayers see it as their duty to provide these opportunities for our young people. We hope the young people will justify our faith in them.

With the onslaught on our universities now by the new generation, provincial government coffers are becoming strained. Therefore there is adequate justification for municipalities appealing to the provinces for higher grants, and in turn the provinces are calling for more federal participation. Thus, I think this measure and the measures already mentioned of assistance to education are well justified. I do not for one moment underestimate the need or impact of federal help to higher education; but I do question, as I have in the past, the approach of the federal government to these provincial and fundamental educational problems.

[Mr. Slogan.]

In the first place, I think our action in again entering the field of provincial jurisdiction emphasizes the need for reassessment of our position vis-à-vis the provinces. One of the fundamental laws of democracy should be, I think, that the government that spends the money should levy the taxes. This comes back to the suggestion I made in the budget debate, that it is imperative to hold a constitutional conference to do two things; one is to reallocate jurisdiction among the three levels of government, municipal, provincial and federal; and second, to reallocate taxing powers to be commensurate with the jurisdiction of each level of government. In other words, give the respective governments the tax base to meet their needs. Following this, an agreement on priorities of spending must be had.

This has already been proposed by Premier Roblin and I know it has won the support of the Minister of Finance (Mr. Gordon) as reported in the *Gazette* editorial of yesterday. I think the system of priorities is very urgent and this is one of the reasons I asked the question of the Acting Prime Minister (Mr. Martin) today. However, from his answer I cannot see that this government is going to take any action in that direction, and I am sorry this is the case.

I think we have to be realistic. We have to realize that there is only one source of revenue for governments, and that is ultimately the taxpayer. I think we have to recognize, too, that the taxpayer has a limit to his resources and only so much money can be extracted from him. Realizing this, the various levels of government must plan ahead on a schedule of priorities in at least the three or four major spending fields, such as education and health and welfare, where jurisdictions overlap.

I think if we did this we would be heading for that Canada charter of which I spoke in the budget debate. To paraphrase the late President Kennedy's words, "The constitution would make us not rivals for power, but partners for progress".

To reach such an agreement will mean co-operation and compromise, but the results of success will ensure the future of Canada in the twentieth century. Failure to establish these priorities will, I think, face us with catastrophe and a breakup of confederation. The success or failure, of course, of this conference will depend in large measure on the province of Quebec. I believe that the province of Quebec must display a more positive attitude to remove the label, "They don't