

Dominion-Provincial Relations

and I am not satisfied that it gives the information which I seek. I come back to the preamble to my question this morning. Am I correct in assuming that under this new scheme the province of Quebec will receive \$2½ million more over the period of five years? Is the minister able to answer that question?

Mr. Fleming (Eglinton): If I had the gift of prophecy, if I had a crystal ball and could look into it and read the future, I would be happy to answer the question; but I cannot be expected, I am sure, to answer as to what may be the gross national product or the tax yields from the personal income tax or the corporation tax or the succession duty in the province or the federal estate tax in those succeeding years. I think I have been quite reasonable about this. We have put forward our best calculation for the next fiscal year which begins just six months from now. It is a very different matter to be called upon to carry the projection farther into the future. I do not profess to have the gift of prophecy. I think we have gone as far as it is reasonable to expect us to go in connection with this forecast.

Mr. Chevrier: I suppose we shall have to take that for an answer, but I would have thought that if the minister could project it for one year he could project it for the remaining four years as well. I come back to the preamble to my question having to do with the province of Ontario, and I ask the minister whether it is a fact that under this new arrangement the province of Ontario will receive in the first year \$18 million more under this agreement than under the former agreement.

Mr. Fleming (Eglinton): This table indicates that according to our best estimate at the present time the province of Ontario will receive \$314,480,000 in the fiscal year 1962-63 under the new legislation, whereas under the present legislation it would receive \$296,170,000, that is to say if the present scheme were carried forward into the fiscal year 1962-63. It should be borne in mind that this is a calculation of what will accrue to the provincial government if they occupy the tax fields to the extent to which the federal government withdraws from them or allows an abatement.

Mr. Chevrier: If this table were projected over the full term of the new agreement, is it a fact that the province of Ontario would receive \$180 million over the whole five year term as opposed to the province of Quebec receiving \$2½ million?

Mr. Fleming (Eglinton): I cannot say that. No one can answer that question. It is completely hypothetical. The hon. member is

making guesses at figures and asking me to say whether they are right or wrong. I have already said that I do not profess to have the gift of prophecy, and the answer to any such speculation will depend entirely upon conditions. It will depend upon the extent of income, both personal and corporate; it will depend on other factors related to growth and yield. Therefore, Mr. Chairman, I have gone as far as I can, and I think I would be rendering the committee no service by attempting to speculate.

Mr. Chevrier: Like the song in "Oklahoma".

Mr. Fleming (Eglinton): Which one?

Mr. Chevrier: "I've gone about as far as I can go".

Mr. Pickersgill: Here is the minister asking us to agree to a bill that covers a five year period, not one year. If he were asking us to make arrangements for the next year only, then his answer would be quite reasonable. He is asking us to substitute for the existing law, which we on this side of the house say in so far as equalization goes is better than what he is suggesting, something which he will not compare with the old law. He will not tell us how the two compare over the whole five year period according to the best computation.

Now he creates a smokescreen by talking about being unable to estimate the gross national product and various other factors. We know that he cannot be certain about these things, but he can use the same factors in both projections and they will then both be equally accurate or inaccurate and the gap between them, if there is a gap, will be on the same basis. That is all we are asking. He did it in one case. I know, and the minister knows I know, it was done for the whole five years, because this minister would not have been so irresponsible as to introduce this bill if he had not had a projection for the whole five years. He seems to regard it as a strategic secret that should not be revealed to the representatives of the people who are asked to vote this money; that is what he is saying.

I say to the minister that if at some stage the province of Quebec—and this applies equally to Manitoba and Saskatchewan—is to get any advantage under the new formula, there must be a point when that happens. It does not happen in the first year. In the first year Quebec is worse off under the new formula and is therefore allowed to continue under the old formula. Is the reason for the minister's reticence the fact that Quebec will never get any additional benefit and therefore will be under the old formula for the