the time being, the basis of payments made under those agreements, I wish to stress an all-important point. The amount of $134 million which the province of Ontario received for the fiscal year 1953-54 is substantially the same as the one it could have collected itself in corporation and personal income taxes, which are deductible taxes, had it not accepted the agreements. The latter amount could be estimated as follows for 1953-54:

	Millions of Dollars
1. 7 per cent on corporation income	81.0
2. Taxes on capital of corporations and the educational tax such as the one collected in Quebec	16.3 4.7
3. 5 per cent of the federal tax on personal income	30.7
	132.7

It should also be noted that as far as the richest province is concerned, namely Ontario, the amount collected under the agreements on the one hand, and on the other, the product of direct deductible taxes it could levy are equal or quite so. The chief reason which prompted Ontario to sign an agreement was, therefore, to avoid double taxation.

The other provinces receive more, and Quebec could receive more, than they could levy themselves directly from deductible taxes.

The distribution of that surplus to each province out of general revenues of Canada is precisely the main reason for agreements, as I explained a while ago.

Quebec would have received, under the agreements, in 1953-54, the sum of $113 million. I exclude the succession duties which are not rented to the federal government by Ontario, and I leave out in my estimates constitutional subsidies. As it did not sign the agreement, it levied in corporation taxes, which are deductible taxes, the following amounts, according to the figures released by its minister of finance in his budget speech of February 12, 1954:

	Millions of Dollars
7 per cent on corporation profits ..	53.1
Special corporation taxes	
(a) on paid-up capital	13.5
(b) for educational purposes ...	3.5
Total corporation taxes	70.1

It should be pointed out immediately, at this point, that 5 per cent of the taxes levied by us in the province of Quebec would have amounted to $15 million, whereas 5 per cent of the taxes levied by us in Ontario amounted to more than $30 million. In other words we have collected from Ontario more than twice as much in personal income tax as we have collected in Quebec.

But let me return to the province of Quebec: $70 million deductible in respect of corporation income tax, 15 per cent deductible in respect of 5 per cent of personal income tax, that is, a grand total of $85 million deductible, as compared to $113 million which it could have received under the agreements. Since it is not the richest province, this means that it could have collected an extra $28 million under agreements whose object is precisely to enable less wealthy provinces to meet their constitutional obligations through a more equitable distribution of national revenue.

I said "national revenue" and that should be made clear: the additional $28 million which the province would have obtained through the agreements do not represent an amount which would be collected specifically in the province of Quebec, it would come from the federal treasury out of general taxes paid by all Canadians.

I said that the Quebec government had not seen fit to accept the agreement. I repeat that no pressure was exerted to have it sign. The only pressure I am willing to exert is to appeal to the provincial government so that we might reach an understanding in order to avoid, among other things, double taxation which it has just imposed upon many of the taxpayers in my province.

Let us not forget, Mr. Speaker—and this is no criticism on my part, I merely point out widely-known facts—that it is pursuant to a one-sided action of the majority in the Quebec legislature, an action that was taken although it was well known that the federal law only provides for a 5 per cent deduction, that 300,000 taxpayers in my province will pay a double tax on their revenue.

This double taxation is exclusively due to the decision of the Quebec government which now attempts to throw the blame upon the Canadian government. This reminds me of the little boy who pulled the cat's tail and replied to his father, who had told him to stop: "I am not pulling: the cat is."