

GOVERNMENT OF PAUL SAUVÉ

(SEPTEMBER 11, 1959 TO JANUARY 2, 1960)



••• Distribution of powers

Sectorial jurisdictions

38. Québec considers that federal grants to universities encroach on an area reserved exclusively for the provinces.⁴⁸
39. The Québec government has no constitutional objection to the federal hospital

insurance system. Nonetheless, considering the complexity of the Québec hospital system, plus the objections that provinces participating in the program are beginning to formulate, the government wants to undertake an in-depth study of the federal legislation and the means for adapting it to Québec's specific situation before making a decision regarding this program.⁴⁹

••• Intergovernmental policy

Financial aspects of federalism

40. Québec demands that the provincial university education tax be tax deductible. Under this plan, commercial companies in Québec would be entitled to a deduction of 10% rather than 9% of the annual tax they pay on their profits. This increase would generate approximately the same amount for Québec's treasury as the federal government makes available to universities in Québec.⁵⁰

48. Statement by Paul Sauvé, *La Presse*, September 18, 1959.

49. Statement by Paul Sauvé during a press conference, taken from the article "Québec hésite à cause de son propre système," *Le Devoir*, October 16, 1959, p. 1-2.

50. Fiscal Conference, October 1959. Antonio Barrette, who was named Prime Minister January 8, 1960, signed a final agreement with the federal government implementing Québec's proposal.