

Declaration made by Maurice Duplessis,
Prime Minister of Québec, upon the
first reading of Bill 43 on the imple-
mentation of a provincial income tax,
Québec Legislative Assembly, January 14,
1954 (extract).

[Translation]

It is obvious that in the past few years, Quebec has taken giant steps in its development. It is just as certain that this extraordinary progress requires new and numerous public services. [...] We want to do even more for our universities, our secondary school institutions, in all for the entire educational system. We wish to do even more to assist our hospitals, to add to the generous contribution of the government to the substantial expenses required by Social Assistance. We also desire and want to increase the number of homes for our aging citizens. In all, it is our profound desire to complete and perfect the many initiatives in the provincial sector in general, and in particular regarding public health, education and social legislation. [...]

Since 1945, for more than eight years now, in order to cooperate with federal authorities we have not exercised the province's rights in matters of income tax, because of the hope of reaching a federal provincial agreement capable of ensuring

to each party an equitable and appropriate distribution of financial and fiscal powers. Now in these current conditions, it is not fair for the province to exercise a part of its financial and fiscal powers in order to answer public needs, especially in the vital areas of provincial administration. We are convinced that the people of Quebec will be delighted to contribute to the development of our province, to ongoing progress in education and public health in the province. The purpose of this Bill is to procure the revenue required for meeting the needs of the situation.

While income tax constitutes a source of direct taxation reserved to the provinces, at least for granting them priority, under the current law we are only exercising a part of the provincial rights. In fact, the provincial tax laid down by this act represents far less than the fifteen percent tax levied by Ottawa in the Province of Quebec. Any person of good faith will agree that less than fifteen percent of the federal tax collected in the province to meet the province's obligations in particular in two vital areas of provincial administration, namely public health and education, is no exaggeration, far from it. Less than fifteen cents to the province and more than twenty-five cents to Ottawa, this is far from being excessive! [...]

Source: Réal Bélanger et al., *Les grands débats parlementaires*, Sainte-Foy, Les Presses de l'Université Laval, 1994, p.172.