

STRICTLY CONFIDENTIAL

(J.W. PICKERSGILL?)

J.C.

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*Mr. C165990 Admin. H.
Done from Conference of 1941
Conservative Party
Drew, George H.
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THE CONSERVATIVE PARTY AND THE SIROIS REPORT

Although Mr. Hanson has repeatedly asserted ~~his~~ his opposition to the doctrine of "provincial rights" and his sympathy for greater centralization of authority at Ottawa, he has made no unequivocal statement in support of the implementing of the Sirois Report. The attitude of the Conservative party to the forthcoming Conference can, therefore, only be surmised. This memorandum is an attempt at such a surmise.

The success of the Conference would be another triumph for the Liberal party and for the Prime Minister personally. The failure of the Conference, on the other hand, particularly since the government has indicated that the implementing of the Commission's recommendations "is necessary to put our country in a position to pursue a policy which will achieve the maximum war effort and, at the same time, to lay a sound foundation for post war reconstruction", would provide the Conservative party with what is probably its greatest chance of a revival in thirty years.

In Ontario where a provincial election appears likely in the near future, the failure of the Conference would provide the Conservatives with an immediate prospect of limited or complete success. Mr. Drew has been consistently opposed to the provincial attitude of the Hepburn government and he was very critical of the treatment of the Commission during its sessions in Toronto. Since the Conference was called he has been silent. It may well be that his calculations are something like this: If the Conference fails without Mr. Hepburn being the direct and obvious cause of the failure he can maintain his silence and "arrange" the provincial election with Mr. Hepburn and go into a "win-the-war" coalition when the election is over. But if Mr. Hepburn breaks up the Conference and comes out for "provincial rights", Mr. Drew can then come out strongly for the Report, use the Prime Minister's letter to the Premiers as an election manifesto and probably win the provincial election.

In British Columbia, provincial elections are also openly forecast. The Conservative Leader, who was at first not favourable to the Sirois Report, has recently been attacking Mr. Pattullo for his unco-operative attitude and his failure to realize that national unity is essential to the war effort. The Liberal newspapers both in Vancouver