

as a permanent feature of our economy. Furthermore in Saskatchewan gasoline used by the farmer on his farm has always been tax free; and this would mean that half of the tax now collected by the Dominion from gasoline would not be available to us. For these reasons we have no desire to barter the gasoline tax field in exchange for the government's offer to pay 50% of the cost of caring for our needy old people who are in the 65 to 69 age group.

The second alternative proposed by the Federal Government is that they shall vacate the amusement tax field but as compensation they suggest withdrawing their offer of a public health grant to the province. Here again we must refuse this compromise. In Saskatchewan the amusement tax field was given to the municipalities in lieu of the latter vacating the income tax field. We do not feel that the Provincial government can take from the municipalities this field which they have enjoyed for many years. Therefore we would prefer to have the health grant left as a part of the federal government's offer to the Provinces. And besides, we would like to feel that human beings will enjoy proper health services.

May I say a few words about the request of certain provinces that the Dominion get out of some of the minor tax fields I have mentioned. As far as Saskatchewan is concerned these tax fields yield very little revenue and some of them would bring us no revenue at all. I am not therefore interested in having the Dominion leave these tax fields exclusively to the Provinces. It is for that reason that I can make the appeal which I am about to make to the Federal government.

It seems to me that there are two reasons why the Dominion might give serious consideration to granting the provinces all or some of the tax fields asked for. In the first place these are very minor fields of taxation. In comparison with the tremendous amounts of money which are