hon. members and particularly hon. members opposite who have heard this sort of propaganda, which is the sort of inaccurate misrepresentation to which we have listened today, to listen to the words that were actually used and see whether or not they are susceptible of the suggestion that this meeting was still not a continuing meeting.

Mr. Ilsley said:

It is evident to me that it would be undesirable to indicate any particular date to which this conference should be adjourned. It seems to me that it is the duty of the government—

That is the government of Canada.

—to give consideration to the various proposals and suggestions which have been put forward. The premier of Ontario suggested, as I understand it, that we alter the basis of the proposed agreement; and Mr. Macdonald also made some changes that might possibly be made. Mr. Douglas on the other hand expressed a point of view in many respects opposite to that of Mr. Macdonald; he suggested a splitting of the differences, or compromise, between the Ontario position and the dominion position. He said, rather soundly I think, that he did not expect his suggestion to be accepted, at least this afternoon; but he wanted to place it on record for consideration.

We have on the record what has been said by the various premiers. It is now our duty—

These are Mr. Ilsley's words.

It is now our duty to give consideration to the situation as it has developed, and announce our decision in due course as to the procedure that should be followed to deal with that situation. I do not think we can do anything beyond that at the present time.

As the Prime Minister reminds me, I must proceed at once with the preparation of the budget. It is not possible for me to wait until an agreement is reached, and I will have to prepare the budget in the light of the fact that no agreement has been reached. In the meantime my suggestion is that we should adjourn *sine die*, and that the government take into consideration the points of view that have been expressed here today, and then arrive at a decision as to the procedure to follow and the position to take.

Mr. Macdonald: Mr. Chairman, I take it that Mr. Ilsley is not suggesting that there will not be another conference. The premier of Quebec who is not here said he would come back at any time.

Some hon. Members: Hear, hear.

Mr. Drew: Listen to the laughter of those who swallowed this propaganda. The premier of Quebec was not there at that time, but he had indicated he would be back at any time to discuss these matters. I am continuing Mr. Ilsley's remarks.

An hon. Member: Were you there?

Mr. Drew: That merely indicates the complete ignorance of those who have been applauding the government for its mistakes. One of the hon. members opposite asked if I was there. I was not only there, but I was sitting there right to the very end. If the hon. member wants to read the text he will be able to see that on the page before I had been indicating the urgency of dealing with these problems just as soon as possible.

Now, Mr. Speaker, I finish quoting that statement which was interrupted.

Mr. Mackenzie King: Gentlemen, it has been moved that the conference adjourn *sine die*. All those in favour of the motion will please say, "aye".

Some Premiers: Aye.

Mr. Mackenzie King: Those opposed say, "nay". (No replies)

Mr. Mackenzie King: I declare the motion carried unanimously.

The conference adjourned immediately after the statement by the very distinguished premier of Nova Scotia that he assumed this conference was going to meet again. We all had a right to assume that conference was going to meet again, but it did not. When there is any suggestion that the proposals were rejected, I say that simply is not so. There was no chance of rejecting or accepting because the next thing that happened was that this government, with the typical course of action that they have been following right through—a course of action referred to by Premier Campbell of Manitoba last week—acted on their own. Mr. Ilsley, without any further inquiry of the provinces, or consultation, placed before the house a statement as to what the government was going to give in the way of allowances to provinces that were prepared to accept an agreement. There was no basic agreement with the provinces. It was simply a case of "Big brother has decided, and those who are not trying to make things difficult will immediately comply". That is the way this government has been dealing with these problems right along. That conference was not reconvened, and the only reason those agreements were not reached at that time was that this government refused to meet again. Do not let the Minister of Justice continue the kind of statements he has been making outside because in here we can challenge their accuracy in a more formal manner.

As far as those agreements were concerned, not only was there tacit understanding on the part of many provinces as to that, but there was a strong urge that they be carried into effect without any further delay as soon as the facts were obtained; but this government did not have the facts then, and as the minister of finance himself said, they were going to take into consideration the proposals that had been made, and that is the way we were dealt with. No, Mr. Speaker, this government scuttled that conference. That is what happened, and it has remained in that sunken condition ever since.

The conference which met on an earlier occasion was not a continuation of that conference; it was a conference presumably