

ings here and not greatly interested in the advancement of dominion-provincial relations.

This is the letter I wrote on January 6, 1944, to the then Prime Minister of Canada. It reads as follows:

Dear Mr. King:

Since returning to my office I have had the opportunity to read a number of speeches made by dominion cabinet ministers, referring to plans that are being made for post-war employment and reconstruction. I find that in most cases they refer to fields of activity which would ordinarily be under the exclusive jurisdiction of the provincial governments.

I need not say we are most anxious to co-operate in every practical measure which will assure effective post-war planning and the prompt rehabilitation of the members of our armed forces. I believe it is extremely important, however, where it will be necessary to obtain agreement of the provincial governments in regard to the joint occupation of fields of legislation ordinarily under their exclusive jurisdiction, there should be previous discussion so that any measures introduced will be on a basis agreed upon in advance.

At present there are agreements in regard to health and education awaiting adjustment between the dominion and provincial governments. I believe that it is very difficult to deal with these or with any other similar agreements until we have reached some understanding in regard to the present and future constitutional relationship of the various governments.

I would therefore urge that a dominion-provincial conference be called at the earliest possible date to consider the broad question of post-war planning and reconstruction. Not only is this necessary for the purpose of determining the basis upon which the dominion and the provincial governments will co-operate, but it is also necessary for the purpose of considering the subject of taxation in relation to these measures.

I believe it is of the utmost importance that such a conference be held before any measures are introduced, either in the dominion parliament or the provincial legislatures, which call for ultimate agreement between the dominion and the provincial governments. We will be prepared to send representatives to a conference of this nature at such time as will be convenient to you, but I do urge that the conference be held at the earliest possible date.

That letter was signed by myself.

I mentioned that letter for this reason. The Prime Minister of Canada at that time evidently thought sufficiently well of the general review of the situation which I put forward that he submitted a copy to the premier of every other province and asked whether, in their opinion, this suggested a satisfactory basis for a dominion-provincial conference. It is a matter of record that each of the provincial premiers indicated this would be a satisfactory starting point for such a conference.

I need not mention any of the intervening discussions which took place, but a conference did convene in Ottawa on August 6, 1945. At that time the dominion government placed before the conference a number of proposals in regard to taxation, health, social security and public investment. I wish to emphasize this. All the governments attend-

ing that conference accepted the proposals as the basis of discussion and indicated their approval of the general principles set forth. It was then decided it would be best to discuss the subjects in closed sessions, and in order to assist these discussions a co-ordinating committee was set up to bring together the combined knowledge and effectiveness of the governments in dealing with these subjects.

Again, simply as a matter of record, may I point out that the co-ordinating committee of representatives of every government, dominion and provincial, was set up on my motion as premier of Ontario, with the unanimous consent of those attending the conference. It then proceeded to discuss the broad fields of proposals which had been put forward. In a very short time it became apparent that there was a great deal of statistical information not yet available which was essential for the practical consideration of these proposals.

On my motion as premier of Ontario a dominion-provincial economic committee was set up, constituted of the economic experts from each of the governments for the purpose of examining the combined economic picture with which we were called upon to deal. As a result of these inquiries which were carried on in August, in November and again in January, it became apparent to all the governments that much still remained to be done before it would be possible to interpret, in exact figures and financial terms, the health, social security and public investment proposals which were then under consideration.

Various changes were suggested by the different governments, all of which were given consideration. In my official capacity I emphasized one particular point at that time, that, from 1867 on, there had been no attempt by official representatives of the governments to examine the possibility of a general readjustment of our whole taxation system. One of the proposals that I put forward, and I am now quoting from my statement presented as to our position, was as follows:

Immediately after the ratification of the new agreement steps would be taken by the co-ordinating committee, with the assistance of the economic committee and such other expert assistance as might be deemed advisable, to conduct a thorough examination of the whole Canadian tax structure for the purpose of establishing a new and revised system of taxation which would leave clearly defined and clearly divided taxing powers to the dominion and provincial governments, under a system which would impose the least onerous burden upon the individual taxpayer.

It seems to me that was a sound and practical suggestion. Then on the subject of health insurance I also urged that we should