

Dominion-Provincial Relations

are faced by the provincial and municipal governments that this is a highly unrealistic division.

Speaking at the time when the dominion-provincial tax-sharing agreements were being discussed, about two years ago, I suggested to the then minister of finance, Mr. Harris, that if he would face the issue squarely and bring in fiscal arrangements that were more in keeping with reality the federal government would not be confronted with so many demands upon the federal treasury, and I believe that is still the case.

I would now like to refer to a bulletin called *Economic Intelligence*, issue of December, 1957, published by the economic research department of the chamber of commerce of the United States, which carries an article referring to the governors' conference in Williamsburg in 1957, at which President Eisenhower called for a general re-examination of the changing governmental structure. He expressed concern over the shift of power from local and state governments to the federal government, and suggested that a task force be established to do the following things:

- (1) Consider existing federal programs which should and could be returned to state control.
- (2) Recommend appropriate specific tax sources which could be currently returned to the states.
- (3) Identify future problems that may call for government attention and to recommend the appropriate governmental level at which such responsibilities should be assumed.

I wish to read a brief quotation from the speech Mr. Eisenhower made in connection with these suggestions, as recorded in the *Economic Intelligence* bulletin:

Every state failure to meet a pressing need has created the opportunity, developed the excuse, and fed the temptation for the national government to poach on the states' preserve. Year by year, responding to transient popular demands, the congress has increased federal functions.

I suggest that it might be to our advantage if such a task force, in the form of a committee or commission, were set up in Canada to consider some of these very same problems, which I believe are very real in Canada at the present time. It seems to me that with respect to the consideration of the problem of provincial jurisdiction and the encroaching of federal authority upon that jurisdiction we ought to be sure that if there is any change in responsibility it is done in a constitutional manner, and not brought in through the back door. We find that with increasing grants from the federal government to the provincial governments there is in many respects a corresponding increase in control and direction.

As I have already stated, we welcome the increased amounts but again voice the conviction that there must be a full and careful

[Mr. Patterson.]

reappraisal of this whole question of dominion-provincial fiscal arrangements. The holding of a conference is imperative. I do not think we can consider as adequate the excuses given by the government. When you analyse the whole situation it boils down to the fact that the government did not want to call a conference, and is trying to blame the opposition for its own lack of interest and failure in calling a conference at this time. The government talks about the opposition speaking too long carrying on the debate, and refers to the long hours the house is sitting, but the crux of the matter is that the calling of a conference is a responsibility of the government which it must assume in order to fulfil its promises and carry out its obligations. A conference should be called, and should continue to meet until this entire matter is resolved.

Mr. Speaker: Before calling it one o'clock may I remind the house that at one o'clock the ceremony of the presentation of a portrait of Thomas D'Arcy McGee will take place in the Hall of Honour at the library end. The members of the Thomas D'Arcy McGee association will gather there to make the presentation, and I would hope that a number of hon. members of the house would be able to attend.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. T. A. M. Kirk (Shelburne-Yarmouth-Claire): Mr. Speaker, to the best of my knowledge no Nova Scotian has as yet taken part in this debate. As a Nova Scotian I should like to make a few comments on Bill No. 247, and to make special reference to that portion of the bill which applies to the special fiscal or adjustment grants.

In doing so, however, I should first of all like to pay a tribute to Mr. Henry D. Hicks, the present leader of the Liberal opposition in the province of Nova Scotia and the former premier of that province who, when attending the preliminary conference in April of 1955, first made the suggestion that special fiscal or adjustment grants should be made. In making that proposal he brought it forth as one that would apply not only to the Atlantic provinces. He brought it forth as a type of policy which could be applied to any province should conditions arise similar to those which were in effect in the maritime or Atlantic provinces when he first brought forward the proposal.

There is no question but that the people in the Atlantic provinces will consider this \$25