

Dominion-Provincial Conference

the other provinces, or an alternative equally favorable, be offered or made available to all provinces.

We have argued over the years, as we do now, that because of tariffs, location of corporations and their head offices, geography, population densities, closeness to centres of greatest American development, etc., the national income and taxable capacity grows or exists unequally throughout the nation.

Manitoba has, therefore, maintained all these past years, and still does, that the great taxation fields which involve personal and corporate income and wealth should be so shared by the federal and provincial taxing authorities as to provide among other things:

(1) Equity as between all parts of Canada so that all Canadian citizens in any province should benefit to the same extent by the sharing arrangements. This is surely essential if the nation is to attempt to develop the fundamental elements of a basic equal minimum of services in all provinces.

(2) Elimination of duplication, confusion and cost for the taxpayers.

(3) Efficiency and economy in the collection of taxes.

As already indicated, our view is that we should first provide for equality of treatment in the sharing of taxes on the wealth and income which grows so unevenly throughout Canada. Then if there are still provinces where extra help is needed, let the national government by all means provide that extra assistance. All we ask is that such additional aid should be granted on such a basis as would make it available to any area of Canada if in future years such areas may be in similar need.

Manitoba has bitter memories not yet 20 years old of her own near insolvency and starved services, even with the highest and most onerous taxation levy of any province of Canada. We have seen other western and some eastern provinces in a somewhat similar plight. For these reasons we urge that any special formulas that might be adopted to provide extra assistance to areas where additional aid is needed (applicable now perhaps only to conditions in the Atlantic provinces) should be applicable wherever in Canada a similar need exists—now or in the future. Let us not have narrow, patchwork, regional settlements. Let us have national plans embracing all parts of Canada.

It is therefore important that all provinces see and understand the working of whatever formulas may be under consideration by your government at the present time for use in the Atlantic provinces. In our opinion, copies

of the different proposals that may be presented or developed in this connection should be forwarded to each province. In addition, information as to the total amount your government is preparing to disburse to the Atlantic provinces under these new plans should be communicated to all provinces at the earliest opportunity. We do not recall any particular figure having been stated by you or your colleagues at the November conference. If we are able to have this information in advance, Manitoba will be better prepared to discuss the final special Atlantic arrangements which we understand you are planning to put forward for general consideration and acceptance at the next meeting of the adjourned dominion-provincial conference in January of 1958. If all the provinces are similarly informed of the adjustment formula being considered for the Atlantic provinces, our January meeting could more surely and quickly deal with the final disposition of this matter which has great importance to our friends in the Atlantic provinces now, and which may well have even greater long-term significance for other parts of Canada as well.

Yours sincerely,

Douglas Campbell.

Premier's Office
Saskatchewan

Regina, December 18th, 1957.

The Rt. Hon. J. G. Diefenbaker, Q.C.,
Prime Minister of Canada,
Ottawa,
Ontario.

My dear Prime Minister:

At the present time we are endeavouring to set a date for the opening of the Saskatchewan legislature. It would, therefore, be useful if we had an early intimation as to when you intend to reconvene the dominion-provincial conference.

Since many of the legislatures commence their sittings early in February, the most convenient month for us to attend such a conference would be January. However, if you have a later date in mind we could postpone the opening of our legislature for a few weeks. It would therefore be advantageous to us, and I am sure to the other provinces, if some announcement were made fairly soon regarding the proposed date for the conference which you indicated your intention of reconvening early in the new year.

Yours sincerely,

T. C. Douglas