interests, and who do not always consider problems from the same angle... Canada cannot avoid the problem of government relations, and we must find a solution to it. They must be institutionalized and continuous, if they are to be more fruitful. Governments must not meet only to seek agreement on some urgent and complicated problem. They must get used to co-operation by regularly exchanging information and consulting each other. In this way, they will gradually learn to collaborate and arrive at a better understanding whenever a difficult problem arises."

Thus, before I ever thought of going into politics and living through these recent tensions, I had come to speak highly of co-operative federalism as an equitable and stable formula. In fact, the very nature of co-operative federalism can be reduced to three words: <u>interdependence</u>, <u>consultation</u> and <u>co-ordination</u> in the fields of <u>common jurisdiction</u> or in those calling for joint government action.

Era of Co-operative Federalism

The era of co-operative federalism started in 1963. Since the month of July 1963, four plenary federal-provincial conferences and several other special meetings have been held. During that time, officials of both federal and provincial governments have been in almost constant contact. At the Quebec conference, it was decided to set up a federal-provincial committee on our taxation system. The task of this committee, which will be composed of ministers and experts, will be to recommend new methods of apportioning sources of revenue on the basis of new government priorities. The results of this joint examination might well reveal new possibilities in such a vital aspect of our federalism.

In the course of the past year, we in the Federal Government have made mistakes and have sometimes forgotten the principles of co-operative federalism. It is not easy to pass from a system of tutelage to a system of interdependence without going through in intermediate stage. Nevertheless, we have been able to correct some mistakes and have obtained concrete results. The full cooperation of all governments concerned has been assured by modifying the organization of the Montreal World's Fair and of the celebration of the centennial of Confederation. A municipal loan fund has been established without affecting the jurisdiction of the provinces over local authorities. Finally a contributory old-age pension plan has been conceived by incorporating the best features of the original federal plan and the Quebec plan to the greatest advantage of anadians as a whole. These are among the first fruits of co-operative federalism.