

Dominion-Provincial Relations

have in this country. But the minister brings in this matter now and says it is to relieve winter unemployment, even though the payments do not start until April 1.

Mr. Small: Why didn't your government bring it in?

Mr. Pickersgill: I have two simple answers for my hon. friend from Danforth. The first is that we did not have unemployment a year ago on the scale we have today. The hon. member knows this well enough, and if he does not I suggest he go back to his constituency and make a few inquiries. The second thing is that last year Mr. Harris increased payments to the provinces by \$114 million, while this measure increases them by \$87 million.

I do not know if the minister intends to answer my question, but there is another question I should like to ask him. The minister said there have been grants to the Atlantic provinces which were agreed to by those provinces. I agree with that so far as the arrangements with the Atlantic provinces are concerned, so far as the consultations with those provinces were concerned, so far as the methods followed there were concerned. I thoroughly approve of it. I think the government did very well indeed. I have always tried to be fair—

Some hon. Members: Oh.

Mr. Pickersgill: And when I think the government has done well, I like to say so. What I should like to ask the minister is whether he considers that Mr. Campbell's statement in the final paragraph of his letter is correct; a letter which I hope he has by this time troubled to read, even though the government does not seem to be much interested in replying to it. As recorded at page 3229 of *Hansard* of January 11, 1958, Mr. Campbell said:

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.

This letter was written on December 18 and was acknowledged before Christmas, therefore the government cannot plead that it did not have Mr. Campbell's request in plenty of time.

Mr. MacInnis: Stick to Newfoundland.

Mr. Pickersgill: The hon. gentleman who interrupts may not realize that I spent 30 years of my life in Manitoba. I have a great deal of attachment to that province and there are not many people to speak for it in this house at this time.

Mr. Monteith: Thirty years in Manitoba, 22 in Ottawa and none in Newfoundland.

Mr. Nixon: Keep quiet, children.

Mr. Pickersgill: What I want to ask is whether the government feels that it did agree at the conference, as Mr. Campbell indicates in his letter, that these Atlantic proposals were to be passed on to all the provinces and agreed to by all the provinces because it will be recalled that in one of the extracts I read yesterday the Prime Minister indicated that this money was coming from all the taxpayers of Canada and although I do not say he did so expressly there certainly was the implication that there was to be consultation with all the provinces beforehand prior to the time when this matter would be finally brought before this house. I do not know whether or not that is right. I did not attend these in camera sessions. But if Mr. Campbell is right, then there does seem to have been an act of bad faith on the part of the government. One thing does seem to be extremely clear about this whole business. The government, though it has accepted Mr. Harris' formula and the Liberal policy of equalization for these interim payments, still will not tell us and tell the country and reassure the people in the seven or eight provinces where it matters most whether it will for all time to come be a policy of the present government to stick to this principle of equalization. That is the most important question of all.

Mr. Knowles (Winnipeg North Centre): It probably does not know.

Mr. Pickersgill: Well, I gave the government the benefit of having made up its mind about that.

Mr. Sinclair: The Minister of Finance did not know about stabilization.

Mr. Pickersgill: This is a grim and serious matter to the people who live in the seven or eight provinces of this country that are most affected. I believe that the government owes it to the people to tell them this, to advise whether they can rely upon it. I can assure the government that if certain events that are foreshadowed take place it could save itself a lot of trouble and debate if it would make a clear,—and I do not mean "clear" in the sense in which the Minister of Finance uses it, but clear in the sense in which the rest of us use the word—simple and unequivocal statement to the effect that it intends to persist in having an equalization principle for the future at least as good as that of Mr. Harris. I think that is the most important question of all.

There is only one other thing I want to say.