

In other words, sir, this hon. gentleman, who the other day descanted at great length about the iniquities of the subsidies system and how it corrupted the governments which had received them, what a terrible thing it was, how it abused provincial rights, was talking about rights almost every one of which had been won by Sir Oliver Mowat in the courts against Sir John A. Macdonald at a time when the dominion government was paying large subsidies to the government of Ontario.

But this gentleman, who objects to the whole subsidized system as iniquitous, suggests that he is willing to make a deal with the dominion government for these tax fields provided the dominion will pay the provinces, not this small amount that would have corrupted anybody, but \$50 million more than all provincial revenues from all sources before the war. This was on the morning of May 3, 1946.

An hon. Member: But this is 1949.

Mr. Garson: I am talking about the conference in 1946. The hon. member is three years behind.

Mr. Graydon: The minister is ten years behind.

Mr. Garson: The hon. gentleman replied to this disclosure by Mr. Ilsley—I do not want to get these hon. gentlemen mixed up. I am referring to the present leader of the opposition (Mr. Drew), the then Prime Minister of Canada.

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

Mr. Garson: Mr. Speaker, I must apologize for having referred to the hon. gentleman as the then Prime Minister of Canada. I was talking about the year 1946 and I think that is as close as he will ever get to being Prime Minister. I should have said the then premier of Ontario, to which I am sure he will take no exception. When Mr. Ilsley pointed out these facts, was he embarrassed by the size of his demands? No, he was not. He said that he and his colleagues had not been haggling about money and that they were not there as clamorous beggars asking for a handout. But, said he:

The government of Ontario has gone the very limit in making agreement possible, and when I say that it has gone the very limit I mean that it is prepared to make adjustments in detail, but not adjustments in principle or adjustments in regard to the net overriding amount which it receives.

It must get that much money. This quotation will be found at page 595 of the record of the proceedings. Therefore when my hon. friend goes about the country, and comes into

The Address—Mr. Garson

this chamber, and says that Ontario was very fairminded—"We never took a take-it-or-leave-it attitude"—may I say that he did not take a "take-it-or-leave-it attitude" as to details, but his ultimatum applied only to the principles—and to his money—the overriding amount of his money.

Well, sir, once the nature of the Ontario stand became apparent the conference was finished. There was no more eloquent proof of that fact than Premier Duplessis' empty seat when the conference resumed after lunch, and after these disclosures had been made in the morning.

Mr. Drew: Let us keep the record straight. The hon. member is well aware that Quebec was represented at that conference until the last moment and that Mr. Duplessis had a representative there.

Mr. Garson: I am not talking about Premier Duplessis' representative, I am talking about Premier Duplessis. May I say, Mr. Speaker, in fairness to Premier Duplessis, that throughout this matter he had preserved great courtesy. He had preserved a courteous reticence as to the amount of rental which Quebec would accept or, indeed, as to whether it would accept any at all. When he left he was courteous enough to leave behind a note which read as follows:

The prime minister of Quebec for reasons already stated many times at these meetings and owing to pressure of business has been obliged to leave for his office in Quebec city.

I do not blame him for leaving. Probably all of us would have been sensible had we left at that time. I suggest that Premier Duplessis knew perfectly well what the effect of the proposals of his collaborator, Premier Drew, would be upon the conference as soon as the unknown quantities in the Ontario formula became known.

It is on the basis of these facts that I submit to this house and to the Canadian people that the conference broke up because, after nine months of negotiations, Quebec would set no rental whatever and because Ontario demanded rentals which were \$50 million more than the entire amount of all pre-war provincial revenues from all sources. It is in the face of these facts that the hon. member for Souris (Mr. Ross) has the impudence—I will say that, sir, if I may—to say that the Right Hon. Mr. Mackenzie King scuttled the conference.

Some hon. Members: He did.

Mr. Ross (Souris): Mr. Speaker, may I—

Mr. Speaker: Order.

Mr. Ross (Souris): I quoted the record last Monday on this matter.