

Appendix

to the development of plans designed to insure the financial stability of the provinces and to develop sound productive policies on public investment, on development and conservation of natural resources, on social security measures of various sorts, and on measures designed to encourage industrial and agricultural development generally.

The government of Manitoba is prepared to make its recommendations and suggestions and believes that there is an urgent necessity for bringing under review these and such other recommendations and suggestions as may be made by the dominion or other provinces.

The government of Manitoba, therefore, urges that plans should be made for the calling of a dominion-provincial conference at as early a date as is practicable.

Yours very truly,
Douglas Campbell

OFFICE OF THE PRIME MINISTER
Canada

Ottawa, August 18, 1949

Hon. Douglas L. Campbell, M.L.A.,
Premier of Manitoba,
Parliament Buildings,
Winnipeg, Manitoba.

My dear Premier:

I have discussed with my colleagues the matters dealt with in your letter to me of the sixth instant and particularly your suggestion that plans should be made for the calling of a dominion-provincial conference at as early a date as is practicable.

We of course feel that it is the duty of all those who have responsibility for government in Canada to co-operate with each other to advance the welfare of the people whom we represent.

I am not convinced, however, that the best way for us to attempt to discharge that duty is to come together at once in a full-dress dominion-provincial conference.

In such a conference it would no doubt be felt by some that fiscal matters should be those to be considered first, and even quite recent press dispatches have shown that there are still some who insist that before attempting to go into details "there should be clear recognition of the priority of the provinces as regards direct taxation".

Now, it is quite out of the question, for those who have the responsibility for all matters coming within the classes of subjects enumerated in section 91 of the British North America Act (including national defence), to even consider restricting in any way the legislative authority of the parliament of Canada for "the raising of money by any mode or system of taxation".

That, of course, does not mean that there are not many matters about which there can be and should be wholehearted co-operation between the federal government and the provincial governments.

It has seemed to us that, in view of our past experience, more progress can be made towards bringing about that co-operation by preparatory work consisting of frank discussions with individual provincial administrations about separate concrete questions; and such discussions which, I hope, will be fruitful and prepare the way for a general conference that would not again become abortive, have already been initiated.

As you know, the existing tax arrangements with the seven provincial governments who have entered into agreements with us extend only to the 31st of

March, 1952, and we are committed to the calling of a conference not later than one year before the expiry of those arrangements.

It may be that as a result of the separate discussions that have been initiated it will be found desirable to call this conference considerably earlier than one year before the date of expiry of the arrangements, and it may be also that it will be found desirable to have at an earlier date some general conference, with a more restricted agenda, to deal with specific problems about which general agreement might be expected.

That, however, is something about which one cannot be specific until the prospects of being able to accomplish something really useful have been further explored.

Thanking you again for your promise of co-operation, I remain,

Yours sincerely,
Louis S. St. Laurent

PREMIER'S OFFICE
Saskatchewan

Regina, July 15, 1949

Right Hon. L. S. St. Laurent, K.C.,
Prime Minister of Canada,
Ottawa, Ontario.

My dear Prime Minister:

Please accept my sincere congratulations on the overwhelming vote of confidence which the Canadian people gave to you and your government on June 27. It is now the duty of all of us who believe in democracy and who desire to see our nation progress to co-operate with you and the members of your government to advance the welfare of the people whom we represent.

You will recall that the dominion-provincial conference on reconstruction was adjourned *sine die* on May 3, 1946. At that time the federal government felt that no good purpose could be served by continuing the conference because of certain fundamental differences of opinion that had arisen. While it is true that subsequently dominion-provincial taxation agreements were signed by seven provinces, many of the important questions which the conference was convened to discuss still remain untouched.

Although the federal government may have had reason to feel during the past four years that there was some doubt as to the attitude of the people of Canada with reference to the differences of opinion that occasioned the adjournment of the conference, certainly there can no longer be any question as to the attitude of the Canadian people. On June 27 the electorate gave very emphatic approval to the underlying principles contained in the dominion-provincial proposals of August, 1945, and this was especially true in those provinces where the federal government had some reason to entertain doubt in respect of the public mind on these matters. It is for this reason that the government of Saskatchewan feels that the dominion-provincial conference should be reconvened at the earliest possible date in order to discuss some of the more pressing matters that have been left in abeyance since the first conference nearly four years ago. The problems which the federal government recognized as crying for attention then are even more pressing now.

We would like to see the matter of health insurance tackled without further delay. Saskatchewan, and later the province of British Columbia, have instituted province-wide hospitalization schemes