

*The Address—Mr. Fulton*

make out, from the limited information we have been able to pry out of the government, they said, "We will make a certain contribution toward the construction of a trans-Canada road; you go home and make your subsequent proposals."

As far as one can make out, there has been no lead by the dominion government. There has been only the barest degree of co-operation toward meeting what is a widespread demand and a real necessity. They have not developed a trans-Canada highway policy. There is no suggestion of a continuing commission. There is no suggestion of the working out of an integrated system of federal-aid highways. There has been nothing but the minimum of concessions in connection with this important matter, which would mean so much to the development of this country.

The very fact that trans-Canada roads are ignored in the speech from the throne, the fact that on this question the government still is not aware of the needs of this country with respect to the development of our resources, with respect to national defence, with respect to the tourist trade, with respect to co-operation with the provinces, supports fully the motion of lack of confidence which is before us.

Another important omission in the speech from the throne is the complete failure to mention dominion-provincial relations. I mention this not for the purpose of going into the details of the controversy as to who was responsible for the breakdown of the conference in 1946; I do it because there is a genuine need for a further dominion-provincial conference to consider and settle matters left outstanding at the last conference.

Matters have become confused and an increasingly unbearable burden has been imposed upon the financial resources of the provinces because all the major tax resources have been gathered exclusively into the hands of the federal government and the provinces are finding themselves more and more unable to meet their authorized requirements without recourse to unnatural and unpopular modes of taxation.

One might just mention in passing that there is a good deal to be said as to the responsibility for the unsuccessful ending of the conference in 1946. As I said, I am not going into details, because they have been discussed fully already; but there are quotations from two authorities I should like to lay before the house for its consideration in assessing the responsibility. I do so because we find that virtually every province is requesting the resumption of dominion-provincial relations. If they had been responsible for ending that conference there might be some slight

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shade of justification for the dominion saying, "Until you change your attitude we will not reconvene the conference." But that is not the fact. The dominion ended the conference and they must bear the entire responsibility. The necessity for a change in attitude rests with the dominion, and theirs is the responsibility of calling a fresh conference.

One of the two quotations I wish to refer to is that of Premier Manning of Alberta, to be found at page 536 of the report of the dominion-provincial conference. Speaking on May 1, when the conference was discussing the last and final proposals of the dominion government as submitted by the Minister of Finance, and the speech made by the minister in dealing with the provincial proposals, Mr. Manning said:

May I say that Mr. Ilsley's emphatic and completely negative reply this morning was a surprising and a bitter disappointment.

It might be suggested by some that Mr. Manning was a partial observer, so I will turn to one who—as between the provincial governments, which were Conservative in character and the provincial governments which were Liberal in character, and the federal government, which was Liberal—would be recognized as an impartial observer. I refer to the C.C.F. premier of Saskatchewan, who holds no brief for either side. Mr. Douglas, referring to the same statement by the Minister of Finance, which finally led to the impasse and the breaking up of the conference, said this:

The Minister of Finance—

That was Mr. Ilsley.

—cannot say yes, and his answer to every proposal that was placed before him for consideration was a most emphatic no.

Later, on May 2, after the then premier of Ontario had made further proposals, Premier Douglas made a statement which is very revealing in enabling us to decide who it was who was intransigent, and who it was who showed willingness to negotiate. His statement is to be found at page 577 of the conference proceedings, and is as follows:

And I want to say just in passing, that those who are gloomy about this conference should remember that Ontario has come a very long way from last January.

I give these quotations in passing, Mr. Speaker, for the purpose of enabling us to assess whether or not the provinces, and in particular one or two of the provinces, were responsible for the breakdown of the conference, as has been suggested. I do it because I think it shows clearly that the responsibility for the breakdown of the conference rests squarely on the dominion government.