

Tax Agreements with Provinces

Finance that even as we have old age security on the statute books, despite the fact that the taxation arrangements proposed in 1945 have not been agreed to by all the provinces, I insist that similarly it is possible to treat health insurance in the same manner. As the Minister of Finance knows, the proposals made in 1945 were lumped together in one parcel. The taxation proposals were there and so were the proposals for health insurance, for old age security, for federal responsibility for the employable unemployed, for public works programs and all the rest of it. For quite a few years every time we raised the question of old age security or health insurance we were told "yes, those were in our proposals to the provinces in 1945, but the taxation part was not accepted, so we cannot go ahead with the rest". We have not heard that defence for some little while now. Perhaps one of the reasons we have not is that we have got over it and now have old age security on the statute books.

I submit to the Minister of Finance that so far as the provinces which have entered into taxation agreements are concerned, it is unfair to them to continue to deny to them the benefits of that kind of health insurance program which was proposed to the provinces in 1945, or something like it. Indeed some of the provinces are now suggesting that there should be a federal measure for health insurance with provision for provincial participation. The whole idea of a national social security program in terms of old age security and in terms of health insurance was part and parcel of the Rowell-Sirois concept and was part and parcel of the federal government's proposals in their attempt to interpret that concept in 1945. I suggest that just as it is a tragedy that these financial arrangements have not yet been worked out as they should be, so it is a tragedy that in the meantime the Canadian people have been denied the benefits of proposals such as the one for health insurance that was put before the provinces and the people of Canada in 1945.

The Minister of Finance may have agreed with the remarks I made with reference to the comments of the leader of the opposition. I hope he agrees with me now in these further remarks I am addressing particularly to him to the effect that in my view there is no reason for any further delay. It is unfair not only to the provincial governments, because as far as I am concerned they do not come into the picture, but it is unfair to the people of Canada, particularly those in the provinces with which agreement has been reached, to deny a health insurance program any longer. I hope the minister will give close attention

to that together with the whole question of these taxation agreements.

Mr. Blackmore: Before we get too far from the remarks of the hon. member for Winnipeg North Centre I think I should say something. The hon. member assumes, as is customary with people of his school of thought, that there is no money available in Canada except that which is taken out of people's pockets. That assumption is absolutely fallacious.

Mr. Gibson: Let's make this painless.

Mr. Blackmore: I do not want to be unfair to the hon. member for Winnipeg North Centre. I know he is very honest, straightforward and sincere, and so am I. I do not agree with him at all in most matters of this kind. The hon. member has disregarded the essential element of provincial sovereignty. I suppose he would deny that, but I say it now because I want to be fair to him. The leader of the opposition made a speech, which I regret I was not in the chamber to hear, in which I understand he set forth the case for the individual province and its sovereignty. In doing so he was emphasizing an exceedingly important matter in this dominion.

When the fathers of confederation planned Canada they planned it with a number of sovereign provinces. Everything in connection with the British North America Act tends to show that. The decisions which were made by the privy council for a long time tended to show that. There is another school of thought which believes that it is impossible to govern Canada successfully unless the dominion government has the authority to command the provinces and abrogate their sovereignty. I favour the point of view of the leader of the opposition.

I believe the present government is deserving of much credit because it has learned the essential fact that by co-operation with the provinces it is possible to attain any desirable objective in the dominion. The present government ever since 1940 and before has had excellent results in co-operation with the provinces.

It must be borne in mind, as I have said many times on the floor of the house, that the men whom the people send to the provincial legislatures are just as intelligent as any man who has ever been sent to this house, and that the members of the provincial governments are just as skillful, sincere and single-hearted in their desire to govern well as any man who ever held a position in the government at Ottawa. This being recognized, we approach this whole problem from an entirely different standpoint. We agree