

tion of the development and the meaning of the Canadian federal structure. There are two extreme views on this subject, both of which I suggest are most dangerous to our future development. There is the extreme centralist view which I hope none of us holds. That view has been embodied in words used by the leader of the opposition at another time. I think I should quote him because his words have already been put on *Hansard* and I think they are quite interesting and of some importance. He said in 1941:

What we need greatly is to look at government from a business viewpoint, paralleling methods that a private business with a head office and nine branches would employ to promote more efficiency.

I suggest that that embodies the extreme centralist view. The other extreme view, which I think is equally dangerous to unity and progress in this country, is the view that the federal government must not be given sufficient power to permit Canadian progress and ensure Canadian unity. If I may say so, that was the view which was expressed by certain speakers in the Social Credit group, more particularly the hon. member for Lethbridge (Mr. Blackmore). That hon. member said last night in a very interesting speech that he felt that the powers of the provinces should be increased; that they should get enough money from the federal government to carry out their responsibilities, but that those responsibilities should be increased so that they would have control and power over such things as prices and markets.

I suggest that if we develop too far in that extreme it will be most difficult indeed to maintain the federal structure which is the basis of Canadian unity. I suggest that neither extreme view commands or deserves to command the support of any number of people in this country.

I should like to leave the legal and technical question for a moment and come to what is after all the crux of the question. It is simply this: When should the provinces of Canada be consulted in connection with action taken by the federal government? When is such consultation so desirable that it is in fact, if not in law, mandatory?

Such consultation is certainly not required under section 146 of the British North America Act in providing for union with Newfoundland, nor indeed is it required under a literal interpretation of our constitution in respect to any amendment of the British North America Act.

Last night the hon. member for Lake Centre (Mr. Diefenbaker) said—I hope I am quoting him accurately—that 1946 was the first breach in the constitutional procedure of amending the constitution of this country because on

that occasion there was no consultation with the provinces. The facts as I understand them are that since 1867 there have been ten substantive amendments to the British North America Act—1871, 1875, 1886, 1907, 1915, 1916, 1930, 1940, 1943 and 1946.

In connection with only two of those amendments were the provinces consulted, in 1907 and 1940. The 1907 amendment had to do with the alteration of provincial subsidies and the 1940 amendment was designed to transfer authority for unemployment insurance from the provinces to the dominion. Those were clearly questions which affected provincial jurisdiction and provincial rights and there should be no question in our minds that consultation on those occasions was appropriate and desirable.

**Mr. Diefenbaker:** Would the minister permit a question? What about 1915, when British Columbia raised objections which were considered by the British parliament?

**Mr. Pearson:** I am sorry, I do not know the details of the 1915 amendment, but I do recall that in 1907 the government of British Columbia expressed disagreement with the proposed amendment in London; nevertheless the amendment was proceeded with. As I say, I am afraid I am not familiar with the details of the 1915 amendment.

The hon. member for Lake Centre said last night—again I hope I am quoting him correctly—that in the matter of amendment of our constitution consultation with the provinces is absolutely necessary. If it is absolutely necessary, such action has not been taken very often. Certainly there has not been a single case in our history when such consultation took place under a Conservative government.

I think the origin of this idea of consultation is to be found in the theory of the development of our federal structure which is referred to by constitutionalists as the compact theory or the treaty theory or the contract theory. The idea is that at the beginning of the Canadian nation, in 1865 to 1867, the provinces made a contract. They made a contract with whom? Of course not with the dominion government because it did not exist, and indeed not on behalf of all the provinces because they did not exist. At that time there was not even a province of Quebec or a province of Ontario, because they had been joined as the province of Canada. It is also well to remember that in 1865 to 1867 the compact, if you like, which was drawn up at that time in the Quebec resolutions, was itself changed in London before confederation became effective and without consultation with anybody in Canada. I agree however that, whatever may be the law, or indeed whatever may be the convention, of the compact theory of our