

kind we have lost sight of a more fundamental question. That question relates to the nature of Canada, to the reason we have a federal system and not a unitary system of government.

Conflict between the federal government and the provincial governments is not our problem; it is the symptom of our problem, a problem which has to do with the nature of this country. The reason we have a federal system and the reason we have problems with it spring from a common source: The regional character of Canada. That character is determined by our geography and size. There is a regional diversity of interests and concerns in Canada—practical, basic economic and cultural interest and concerns. These characteristics of regionalism in Canada, inherent in its nature, will not be changed simply by adjustments in the balance of power between the federal and provincial governments. The problems of regionalism in Canada cannot be solved solely by constitutional amendments or through redistribution of tax points.

I am not suggesting that constitutional amendments or the redistribution of tax points are unnecessary. We clearly need to ensure a rational distribution of responsibilities and a rational allocation of funds to meet these responsibilities between the federal and provincial governments. However, it is equally important that we have national policies—federal government policies—which take into account regional differences. When this goal is not actively pursued by the federal government, Canadians tend to identify more and more with provincial governments as the obvious vehicle to redress regional imbalances and regional grievances. This growing dependency on provincial governments to provide solutions has reinforced the regional attitudes which have always existed in Canada, making us primarily concerned with the difficulties and aspirations of our immediate locales; but often we are unaware and unconcerned about the real problems and the real opportunities that exist elsewhere in the country. This turning inward has tended to make us lesser, not better, Canadians.

As provincial governments have been pressured to counteract the difficulties exacerbated by national policies which all too frequently fail to recognize the reality of a country based on regionalism, so provincial demands for more and more power to meet these pressures have escalated. When they are not met, the conflicts between levels of government, as well as the polarization between regions, also escalates. The situation in Quebec at the present time is but the most obvious and the most threatening manifestation of a deep-rooted malaise in this country. If we are to break out of this vicious circle of compounding conflicts, federalism will demand a greater degree of reconciliation and accommodation than all Canadians, particularly this government, have been prepared to offer to date.

As we pursue that arduous but necessary task of reconciling national policies with regional interests and creating the framework in which regionalism becomes the bedrock of, rather than the alternative to, strong national feeling, let us not overlook the unique and essential contribution which parliament has to make. This is, after all, the only institution in Canada which can speak for all Canadians. It is the only

institution in which every community, province and region is directly represented. It is the only institution where 264 men and women come together to represent simultaneously the interests of their various constituencies and the national interest.

None of us, I believe, who has any sensitivity at all can sit long in this place and not gain an overpowering sense of the richness and diversity of Canada, of the interdependence of its parts and of its potential for greatness if we can ever fully exploit the unique contributions which each of our distinct elements has to make to the national spirit and character. Members of parliament, by our very role, have something unique to offer to any discussion on the future of federalism in this country. While the federal-provincial conference has emerged as a major forum of federalism in this country, its perspective of federalism is necessarily limited; the roles are stereotyped.

• (1540)

Mr. McGrath: It has become a private club.

Miss MacDonald: That is very true. The Prime Minister will speak for Canada. The premiers will speak for their provinces. That is the nature of their mandate. But in parliament we have a mandate to speak both for our local constituency and for Canada.

Some hon. Members: Hear, hear!

Miss MacDonald: We have that unique dual perspective which will become more and more vital as our federal system evolves. My leader put forward the proposal on Friday that prior to each major federal-provincial negotiation there should be a debate in parliament on the principles of the position, or at least of the options the federal government will present. If such a tradition were established, the general public would be informed as to the importance of the issues being negotiated at these conferences, the provinces would come into the negotiations with a clearer grasp of the nature and implications of the federal position, and the air of mystery and intrigue which now surrounds the process would dissipate.

Federalism is now facing its ultimate challenge. We can no longer entrust its fate to a close elite of 11 first ministers and their officials.

Some hon. Members: Hear, hear!

Miss MacDonald: It would be strange, indeed, if the parliament of Canada which so uniquely reflects the reality of federalism were to allow itself to be excluded from participating in the revitalization of that federalism. In the case of the bill before us today, parliament was relegated to the sidelines while these fiscal arrangements were being negotiated. Every time this happens, parliament is diminished—and at this critical time in Canada's history we need strengthened, not diminished, national institutions.

This House, Canada's national forum, must become, again, what it was intended to be—the place where the diversity