

Federal Transfers to Provinces

I said that the government's motives in regard to post-secondary education were suspect for two reasons. The first is that we must be suspicious of any government which, when there is a deficit, looks to health care and post-secondary education as a way of meeting it.

One of the findings of the task force did not receive too much attention, Mr. Speaker. It was to the effect that the fiscal imbalance, which the government has been talking about for a number of years, is a fiction—that there is no structural imbalance between the fiscal capacity of the federal government and the fiscal capacity of the provinces. There is no reason for the federal government to feel sorry for itself and cut back on transfers to the provinces because it thinks the provinces are spending more money than it is. It never mentions that one reason for this is the decisions taken by the Liberal government. Mr. Speaker, the Liberals always act as if they had just arrived here when actually, of course, they have presided over many of the decisions that led to the situations they now lament. The task force concluded that there was no fiscal imbalance; that is, that the deficit that the Minister of Finance wants to correct is a discretionary deficit. It is an accumulation of political choices made by the Liberal Party and by the Liberal government over the years. The deficit has grown, for reasons other than the established programs financing, and faster than the rate at which the money spent on established programs financing has grown. To turn around and do anything to suggest that these are the kinds of programs which are at the root of or the cause of the deficit is, in my view, totally repugnant. By taking this avenue out of the deficit, rather than having the political guts to raise the money which is out there by closing tax loopholes which should have been closed in the last budget, instead of the ones that were closed, the Liberal government is attacking medicare and post-secondary education.

● (1740)

In principle we are against that strategy; we are against it symbolically and practically. We were against it when it was followed by Progressive Conservative provincial governments across the country which really never gave block funding a chance. We were against block funding, but speaking in sympathy with it for a moment, one of the reasons block funding never got a good opportunity was that it was coincident with the existence of seven or eight Progressive Conservative governments across the country which used the freedom under the new system to save money, not to innovate, to spend on new programs or to do the very best possible within the system. It was as simple as that.

In this case we have the Liberals aping the provincial Conservatives. During the course of the debate we hope that they will be persuaded—but we do not really believe that they will be persuaded; we do not expect that any more, do we—to see the folly of their ways with regard to cutbacks in established programs financing and not follow down the road of their Conservative colleagues who would sacrifice these programs to attacks on their respective deficits.

That is about all I have to say at this point. I suspect my time is running out in any event. The point has been made that what the Minister of Finance and the Minister of National Health and Welfare are telling the nation, quite simply, is just not true. They are taking a great risk with the medicare program and with post-secondary education. They are contributing to a political scenario which I believe will be very damaging to medicare over the short and the long run. They are acting with regard to federalism in a way which will further contribute to the lack of co-operation we have witnessed over the last while. I think it is a tragedy, and I hope they will see fit to change their minds, even at this eleventh hour.

Mr. John Bosley (Don Valley West): Mr. Speaker, perhaps one of the strengths of our arguments, which should be mentioned early in the debate, is that I do not know of very many times when the hon. member for Mississauga South (Mr. Blenkarn) and the hon. member for Winnipeg-Birds Hill (Mr. Blaikie), coming as they do from quite different parts of the political spectrum, would find complete agreement on the facts, as they have shown by their comments thus far in the debate. Perhaps this might add to the hon. members' suggestions that backbenchers opposite should take seriously the claims being made about the facts represented in the bill.

I must say that I was somewhat worried when I heard the hon. member for Winnipeg-Birds Hill commence his speech today by linking the suggestion that the bill should be split to a mention of the bells. For a moment I expected the infamous motion. Of course he is correct that the package makes it very difficult to consider the bill. We had hoped, perhaps as a result of the experience of the last while, that we would no longer see packages that tie the House to a timetable on one necessary part of the bill and at the same time restrain adequate debate on another part of the bill to which the mandatory timetable does not apply. Therefore, one wonders why the bill was introduced in this way.

I listened with great interest to what the Minister of Finance (Mr. MacEachen) had to say today. I had hoped he would tell us why it was necessary to tie the two parts together under that timetable. Among other things, he did not tell us that. Also it became clear today that, unlike the budget, the Minister of Finance had at least read this bill before presenting it to the House. This indicates that perhaps he is, more than anyone realizes, no longer willing to negotiate any of the matters in the bill, that it is all a "done" thing.

I noted with great interest his particular comments with regard to the source of these proposals being his deliberate commitment in the budget to these matters. This may in fact suggest that what he has been saying for some months, namely, that other matters in the budget are open for further representation and negotiation by Canadians, is equally untrue. This is extremely worrisome.

I have some substantive comments I want to make, but perhaps I can preface them by saying that when I was a little boy in Toronto—