

*Income Tax Act*

traditional 50-cent dollar. In the Atlantic provinces, of course, it is a 100 per cent rebate.

What this situation has done is to allow the federal government further encroachment into the provincial field, because the provinces first have to meet priorities established by the federal government, and only after that can they consider their own. I ask the government today, whatever happened to cooperative federalism? Was it also just a myth?

Another situation that happens is that when the federal government has established a cost sharing plan, as we are seeing now, for instance, in medicare and post-secondary education, the federal government either threatens or, in fact, does cap the federal contribution, that is, it places a limit on the amount it will contribute. In speaking about the delivery of health care services or education, the ultimate bodies responsible are the provinces. They have made plans and given commitments on the basis of federal involvement, and when the federal government caps a program or threatens withdrawal, the provinces receive the political reaction. As I have already mentioned, the provinces have too little tax room in which to operate, and this is simply another intrusion into provincial jurisdictions.

There has been one other attitude to come forward in the debate on Bill C-56. I am speaking as an individual Canadian, but I hope my view is shared by many Canadians, and it refers to the term which the Prime Minister used in answering questions in this House. The Prime Minister used the phrase "the Canadian common market". I moved a motion under the terms of Standing Order 43 in which I pointed out that Canada is not a common market but a united country, with a national government for all Canadians, with ten equal provincial partners. It has been a partnership since the day the Fathers of Confederation formed and founded this country. In fact their negotiations would never have come to fruition had it been anything less. Anyone who has studied Canadian history can see, jumping at them from out of those pages of history, the attitude of the Fathers of Confederation to bring about a country based on cooperation and equal partnership. This is much more so than in the history of the United States.

My motion read:

That this House affirm that Canada is a federal state comprising of a national government for all Canadians and ten equal provincial partners.

The response, Mr. Speaker, which I thought would be an obvious, resounding yes in affirmation of ourselves, was a meek and lonely no from the government benches. A common market is an association of sovereign states which have joined together for reasons of trade or whatever to advance their common cause. The fact must be stressed that they remain as sovereign states, and the European Common Market is such an example. The provinces are not sovereign states, but equal partners in this federal Confederation making up our country. I hope that the Prime Minister will clarify that statement and, if unity is to prevail in this country, that he will cease and desist from using that phrase. I hope also that the Prime Minister will take my plea to heart.

[Mr. Epp.]

● (1542)

Lastly, the budget of April 10 brought out one other factor, and that is that when the Prime Minister, his cabinet, and supporters have no other argument, they wrap themselves in the Canadian flag and say that if we disagree with them we are against unity. Are the views of the Prime Minister—especially when he says we are a common market—the views that are to prevail? If we disagree, does that mean we are not Canadians? Just think of it, Mr. Speaker—if we do not agree with the government suddenly we become Canadians with dubious credentials.

When all is said and done the legacy of the budget of April 10 will not be the sales tax and who got what from whom; it will be that we had an inflexible federal government that rammed its way through, rather than a government interested in maintaining the unity of this country and building up its economic fibre.

**Some hon. Members:** Hear, hear!

**Mr. Peter Stollery (Spadina):** Mr. Speaker, I would just like to point out to my friend, the hon. member from Provencher (Mr. Epp), that I was a little late in arriving and so did not catch the beginning of his speech, but I understand that he quoted rather selectively from the *Winnipeg Free Press*. When that was brought to my attention I said that my friend from Provencher would not do a thing like that.

As I listened to his speech, however, I heard him explain that he was in favour of tax cuts and that if he were putting a budget together he would cut taxes. But then he said he opposed any form of deficit. It was as though he felt that a tax cut did not actually represent a cost to the treasury. He went on to say that the provinces have less room fiscally, yet we know that between them the provinces and the municipalities represent 60 per cent of the tax base in Canada.

I still thought the hon. member would not distort what appeared in the *Winnipeg Free Press*, but then he went on to explain about the federal-provincial partnership that was developed in 1867. I would recommend to my hon. friend that he read the Confederation debates that took place in Quebec city in 1865. They would give him a broader grasp of the concept of 1867. Hon. members from Upper Canada and Lower Canada debated long and hard, and I think the hon. member for Provencher would learn a great deal if he took the time to read this little volume put out by the New Canadian Library, published by McClelland and Stewart in Toronto.

At any rate, he was quoting somewhat selectively from the *Winnipeg Free Press* which, I understand, has taken a rather strong position in support of the government and recommends that we not make any more concessions on the sales tax question to Quebec or any other province. I believe three or four provinces are involved at this point.

It is a curious thing that in this Chamber as soon as you touch a raw nerve you get a reaction from the other side. They do not want to hear anything that might remotely resemble