

1 mainly on economic questions. And any kind of a solution,
2 or remedy, is likely to be centralizing. The nature of
3 modern economic management tends to bring power to central
4 Governments.

5 Don't you get **into** a contradiction, here, between
6 the need to improve economic performance with stronger
7 Federal leadership and, at the same time, the loosening of
8 the Provincial relationships that you feel, yourself, you
9 are required to pursue for these political reasons.

10 MINISTER LALONDE: I would say "No" to that,
11 because -- I think you are raising a very serious problem,
12 indeed -- but I don't reach the conclusion as you
13 formulated it in the first part of your statement.

14 I will agree with you on your second part--when
15 you are talking about Federal leadership--but Federal leader-
16 ship does not necessarily mean political powers--or legal
17 powers.

18 I think one of our problems has been, too often,
19 to confuse leadership with the exercise of legal powers,
20 as such. I have seen that in my own previous areas--
21 in the area of Health and Welfare-- where the Federal
22 Government legislated very actively in the Sixties and in
23 the Fifties; and we had a lot of programs where we were
24 putting money in with "conditions" and all of that.

25 Well, we have been relaxing those "conditions."