

*Federal-Provincial Fiscal Arrangements Act*

health and education. On August 24, 1983, the Prime Minister spoke in the Crocodile Room of the Peter Pan Motel. We see that the Prime Minister has substantially up-graded the places in which he stays. It is a big jump from the Peter Pan Motel in New Glasgow to the Pierre Hotel in New York.

In the Crocodile Room of the Peter Pan Motel the Prime Minister declared, with all the wonderful sincerity to which Canadians have become accustomed, that the Government would restore the federal share of health and education to a minimum of 50 per cent and that in some places such as New Brunswick and British Columbia it would be more than 50 per cent. Those brave words are now being camouflaged by the statements of the Members opposite as they realize that the real intent of this Bill is to substantially reduce the federal share in these programs.

**Mr. Guilbault (Saint-Jacques):** Crocodile tears.

**Mr. Axworthy:** My colleague reminds me that from the Crocodile Room to crocodile tears is now the basic formula for Conservative Members of Parliament. What a difference two years makes, and what a difference two years will make in the future.

I would like to speak about what this debate means to the individuals involved. The net result of EPF cut-backs for the Province of Manitoba by the year 1990-91 will be a loss of \$89 million. You could take the figure even higher if the Government had committed itself to the principle of the Peter Pan Motel statement and the shortfall would be \$300 million.

● (1530)

What that \$89 million means for university students is a doubling of tuition fees from \$989 to \$2,000 a year. Put yourself in the place of a family who wants their child to go to university. Think of the difference it will make. What will it mean for a lot of modest income families who have already been hit by an excessive number of tax increases in the Government's Budgets? What it really means is a large number of students will not be able to attend university in Manitoba. That is all it means. They simply will not be able to go.

Let me give you another figure to put this thing in perspective. The proposed shortfall in funding amounts to the entire operating budget of Manitoba's community colleges. Once again the province is faced with either raising taxes substantially or cutting back on the opportunities for people to receive training in community colleges.

The Hon. Member for St. Boniface (Mr. Duguay) has been a prime spokesman for the Conservatives, telling us what awful things the Liberals did when in Government. I tell you that when it came to community colleges, the federal Government assisted the Province of Manitoba. We assisted in substantially expanding Red River Community College to the extent of 1,200 seats. We brought in a new business management program for the University of Manitoba. We helped build a

brand new technical vocational high school which is available to students of all ages on a 24-hour basis, six days a week. We assisted in developing the Keewatin community college and developed a new program at the University of Brandon so they could reach out to native people around the province. We expanded opportunities for community college education. The present Government is reducing those opportunities. That is the difference between the two Governments. We believed in education as an investment. We believed in giving people the opportunity to develop new skills to meet new challenges in the workplace. We did not undertake programs which would cut back on those opportunities.

Let us talk for a moment about health care in the Province of Manitoba. The shortfall resulting from this new Act will equal the total of all doctors' fees paid in the province. We know what a difficult problem it is for the provinces to negotiate acceptable fees for doctors. We see this incredible tragedy occurring in Ontario. Yet here we can equate the cut-backs to the total of all doctors' fees. Another figure is even more dramatic. The shortfall under this legislation amounts to the full operating cost of 78 of 80 hospitals in the Province of Manitoba. However you calculate it, it amounts to complicity by 210 members of the Conservative caucus from one end of the country to another in an act of severe surgery on our health care system. There is simply no way we will be able to maintain the quality of service we require.

I must appeal to Conservative Members of Parliament who know better. They have been involved in education and in health care and know what the requirements are. I appeal to their best judgment. Why do they allow those sort of crazy characters in the Department of Finance to get away with this? We have heard so much from Conservatives about how the market dictates and we have seen the results. The fields of energy and trade are in total chaos. The economic structure of this country is dissolving. Why do they allow the public sector to withdraw from those areas which clearly have to be supported by public funds?

I think what they are gambling on is that somehow the provinces will be unable to withstand the political pressure in their own jurisdictions and will have to maintain the quality of service. Do you know what that means for an average Manitoba family by the year 1990-91, about four years away? It means an additional tax load of \$1,200. This is not acceptable. The Government says we all have to share in the sacrifice involved in bringing the deficit down. We all have to share in the great national goal of getting our fiscal house in order. Yet how can they argue that the burden is being shared equally when the top 3 per cent or 4 per cent of income earners get a grab-bag of tax benefits such as the \$500,000 capital gains exemption? That is sheer discrimination. That is not sharing the burden equally.

We go back to that famous phrase of the Minister of Finance. He said what we have to do is encourage people to get richer and that will help the economy grow. Look at the price we have to pay. Look at the anguish created.