

Dominion-Provincial Relations

dailies—and I expect the same thing was in the other British Columbia papers—have certainly been badly misled over the last three days.

There is another point which I think is of great interest, namely the point raised by one of my friends from British Columbia, the hon. member for Vancouver-Kingsway (Mr. Macdonald), when he began analysing the figures on the per capita basis which the minister mentioned when he described the calculations. After the Department of Finance produced the proper figures we see that British Columbia gets half of what the minister said they were going to get; Prince Edward Island gets nothing, and the rest of the provinces get increases. There is \$22 million extra for Ontario and \$19 million extra for Quebec. That works out to just twice as much per capita for the provinces as for British Columbia. The rich are getting more, in other words. We are not poor, but we are certainly entitled to as much of an increase as either Ontario or Quebec.

The minister mentioned that British Columbia and Prince Edward Island, because of the special problems there—Prince Edward Island being of small size and British Columbia with extraordinarily difficult problems of transportation and communication, of road-building because of mountainous terrain—had received from the previous Liberal government preferential treatment. We are getting preferential treatment of another kind right now from the Conservative government when we get half the extra per capita payments which are being made to Ontario and Quebec.

Of course if the Minister of Finance and the Prime Minister had gone ahead with this second conference which the ten premiers confidently expected when they left here this mistake would not have arisen, because the moment the minister produced his calculations the premiers of Prince Edward Island and British Columbia would have said immediately, "You have forgotten stabilization". That is one of the weaknesses of legislation by telegram, namely the fact that you have no opportunity of consultation. I hope we are not going to see any more of this unilateral legislation by telegram with respect to the provinces in the future.

The second amazing thing for a minister who has, after all, the greatest responsibility of any minister other than the Prime Minister in the government of Canada, is that he made a second mistake in the calculation of the payments to the other eight provinces which he blithely explained in an offhand manner to the house on Monday. He was immediately caught up in this house on that one, too, and was obliged to make an explanation of his

explanation. Of course at that time he was forced to fall back on those very competent officials of the Department of Finance who would have advised him correctly the first time, if he had bothered to consult them. I think the taxpayers of Canada who pay the salaries of these very competent officials are entitled to have them consulted, and I think the people of Canada and the members of this House of Commons especially are entitled to believe the figures which the Minister of Finance puts before the house. If an error is made we are entitled to have a correct answer given on the first explanation, not on the second explanation of the explanation.

That brings up another point. I now begin to understand why the Prime Minister decided there was not going to be a budget this fall despite the fact that the Minister of Finance blithely promised one last June. A minister who could make a 50 per cent error with respect to just a \$5½ million payment to British Columbia would make mistakes which would stagger the nation on a \$5¼ billion budget. Incidentally, this is the biggest budget in the history of Canada, and all this on top of the Tory promises made by the Prime Minister that they were going to cut expenditures by half a billion dollars.

I am going to speak on one actual detail of this proposal, a detail raised by both the Prime Minister at the dominion-provincial conference and the Minister of Finance in his speech. My colleagues around me who have had a part in these negotiations in earlier years will speak on other features. In his speech at the resolution stage the Minister of Finance mentioned the fact, as found about half way down the left hand column on page 3849 of *Hansard*, that this measure will assist the provinces in the provision of needed employment this winter.

We of course raised the question of how these payments were going to assist in providing employment when the payments did not even begin until next April. The employment problem, which the Minister of Finance thought last fall was not serious, is with us right now, the figures now having passed 800,000. Let me tell the minister, however, that if he had followed the Prime Minister's schedule these increases in payments could have been of very great aid to the provinces in meeting the difficult problem of unemployment this winter.

During the course of the election campaign we all heard the solemn promise of the Prime Minister, delivered with the finger in the air, the hands on the hips and the rolling phrase, that he was going to call an immediate conference with the provinces not to review but to revise these agreements