## Federal-Provincial Fiscal Arrangements Act

various parties there was a whole host of issues. The Progressive Conservative candidates and the public were told, with regard to established programs financing of post-secondary education, that the Progressive Conservatives' position would be, and I quote:

We would return to the 1977 funding formula though we cannot compensate the provinces for their 6-and 5-funding losses. We will institute regular consultation with the provinces as set out in the original agreement to reach a consensus on national goals in post-secondary education.

## • (1510)

Those are two promises in this regard, both of which have been ignored. It goes without saying that there were no consultations. This is not a matter which requires a great deal of discussion. The fact is that there were no consultations.

What is even more important is that the trust was broken. The Conservatives placed a great deal of emphasis on this trust during the election campaign. Members of the Party said that they should be trusted with respect to universal programs since they are sacred. They said: "Trust us on EPF. This is something which we will live by. We will keep the funding levels at the 1977 level". And what did they do?

Let us look at the 1977 level. This was a period of time under the Liberals. The levels had begun to fall away from the 50/50 financing proposal, but the federal Government was still carrying 48.7 per cent of the cost of financing post-secondary education and health care. It was almost 50 per cent but not quite. The next year the level rose to 49.6 per cent-again, it almost made the 50 per cent level. The following year the formula took us to 49.9 per cent, and thereafter we began to have trouble. By the time 1982-83 rolled around the federal Government was carrying only 42.6 per cent of EPF. As Hon. Members will recall, at that time we were entering into the 6-and 5-program cut-backs instituted by the Liberals. At the present time, 1985-86, the level is 43 per cent. Next year it will be 41 per cent. In the year 1987-88, as a result of the proposal which is before us, the federal Government's share will be 40 per cent. By the time we reach 1990-91, it is proposed that rather than paying 50 per cent of the cost the federal Government will pay only 36 per cent.

I realize that Members on the government benches have made speeches saying that there will not be cuts. However, the principle that EPF will be on a 50/50 basis has been totally undermined. The percentage that the federal Government will carry will be only 36 per cent instead of the 50 per cent which was promised and guaranteed in the last election campaign. What we see here is a Government which treats its promises lightly. It is a Government which plays with words and experiments. It performs the type of experiments I recall being talked about when I was a young boy in my home community.

In our community there was a fairly stingy preacher. As the story goes, he decided that his mule was eating a great deal of his income, since the preacher had to pay for the feed. He decided that the mule only ate out of habit and did not really need to eat all that feed. So he began to wean the mule off the

feed. He finally got the mule down to the point where it had survived two or three days without having anything to eat. Then the mule died. That is sort of what the Conservatives are doing with EPF. They are weaning the provinces off post-secondary education funding. So far the programs have not died; but that will be the ultimate conclusion. Unfortunately, the preacher in my story reached the same type of conclusion we have been hearing from government Members. He said that there was nothing wrong with his experiment. He said that he had proved the point that mules could, indeed, live without any food, only the mule had died before the experiment could be proven a complete success. A woman in his church who had less faith in science said that all he had really proved was that some preachers can be very stupid. I think that is all the Government has proved by its approach to EPF.

The amounts of money with which the Government is playing are of such fundamental importance to the maintenance of the country that I am not sure Canada can survive without them as it has survived up until this point. What is more important than trying to maintain services on an equitable basis right across the country? This is one reason why we have a federal Government. Its job has been perceived by all Canadians to be that of providing transportation services where needed to the outports and to the small communities on the Prairies. It has been perceived that a function of the Government is keeping educational opportunities open for the poor children who live in our outports and those prairie communities which I have mentioned. It has been a long, hard struggle, but in the last 25 or 30 years we have achieved that type of understanding with respect to health care. The understanding is that no matter where one lives and no matter what economic circumstances one finds oneself in one has access to health care on the same basis as do people in Toronto or in Montreal. It does not matter whether one is in an isolated community or has very little money. If one is sick, breaks a leg or needs an operation, health care is available. The Government is putting that understanding in jeopardy.

Let me stress that it is not saving the taxpayers any money as a result of this measure. If it succeeds in this endeavour, it succeeds in reducing the accessibility to these services of these people about whom I have just spoken. If the provinces are to keep levels of care at their current levels, then the same taxpayers will have to put in the money simply as provincial taxes as opposed to federal taxes. Overall, in terms of the macro-economics of the country, it makes no difference. However, the federal Government is in a position to place funds across the country so that Newfoundlanders have similar access to service as do Ontarians and as do people in Saskatchewan and so on.

I have talked about percentages which will change. Some people may have difficulty in handling percentages. I think all of us can understand what it means to try to finance a similar program and to move from 50/50 financing down to less than one-third financing, with close to two-thirds having to be borne by the local Governments and the provinces.