

Federal-Provincial Fiscal Arrangements

provincial Ministers concerned, coming back to our federal Minister of Finance and saying it is not enough, and the federal Minister of Finance, in his statement on CBC obviously was referring to that. What happens then? Our federal Conservative Minister of Finance comes back, talks to his cabinet buddies, and then goes back to the provinces and tells them it is not \$175 million in one year, it is \$175 million over two years.

As you know, Madam Speaker, we came into the House of Commons brandishing the words of the Minister of Finance. He said he did not lie and we have to take his word for that. We can quote his words from the CBC. We can show that the amount was reduced. He says he did not promise it and we will take his word, but how would you feel, Madam Speaker, if you were negotiating for someone and were told there was \$175 million on the table and at the next meeting, after doing your homework and looking for ways to improve the situation, you were told it is not over one year, it is over two years? It is called bargaining in bad faith. Provincial Ministers right across this land should be almost afraid to meet with our federal Minister of Finance because each and every time they meet, there is some kind of shell game perpetrated on the provinces. First, they are not losing the EPF money in 1986-87. Then they are. Then we are told equalization is going to make up for any cut-backs in EPF. Then the offer of \$175 million a year is obviously not enough to make up for the money which is going to be lost through EPF in one year alone. The \$5 billion the Minister of Finance promised over five years will not make up for the \$6.8 billion which was going to be taken away from the provinces as a result of changes in the EPF legislation. Then we find out that the \$175 million does not even exist as an offer from the federal Government. It is no wonder we are no better off now in terms of federal-provincial relations than we were in the early 1980s.

It is ironic that Conservative Ministers from Nova Scotia, and Conservative Ministers and a Conservative Premier from Newfoundland, are tackling the federal Government and screaming on an almost daily basis. It is not surprising that from time to time even the Premier of Alberta expresses some sort of exasperation, and "exasperation" is probably too polite a word but I do not want to use anything unparliamentary.

The truth is that provincial Ministers really do not believe they are being listened to. Provincial Premiers feel it is frustrating to come to Ottawa. I am almost tempted to use a quote from Manitoba, but I suspect some people would say that is just the New Democratic Government in Manitoba and it is partisan. Being in Ontario right now, perhaps I should use a quote from the Liberal Government of this province, but someone would say that that is just being partisan also. I cannot use a Prince Edward Island quote because there is a Liberal Government there. A few more years of Tory rule in Ottawa and we are going to have a whole lot of New Democratic Governments across this country.

Some Hon. Members: Don't hold your breath.

Mr. Murphy: I will quote one of the friends of the people heckling on the other side of the Chamber. Premier Peckford said:

When you talk about a new era of federal-provincial relations, that meant not only consultation, it was meant that some of the legitimate, rational things that were being put forward could be accepted by this government and they have not been to date.

The Premier said:

—if Ottawa was going to make a meaningful contribution to the long-term stability of Newfoundland, equalization payments and established program funding would have to be based on need and ability to pay rather than rough population figures.

He went on to express his concern in much more vibrant language. He said: "We are being squeezed all the way to Sunday". He expressed concern that the situation in his province is such that it reflects the years of the 1930s. He said his province could not possibly maintain its level of services with the proposals coming back from the federal Minister of Finance.

It is a frustration which started on the East Coast but it is a frustration now being expressed in each and every part of this country. It is ironic, as the previous speaker said, that we have had the drastic changes to the Established Programs Financing. We are now in the process of changing the equalization formula for the next five years and we are doing so a month and two days after the federal Budget. We were told in that Budget we were going to have major tax reform and that the whole system of tax reform is going to be so fair and so important that it will drastically alter the way things are done in this country. If that is true, if the Government really believes that, if that is its real political agenda for fairness, then why did it rush through Parliament last year changes to the Established Program Financing? Why did members of the Government rush changes through in such a manner that when I suggested that representations of the national nurses' association should appear before the committee, the Chairman of the Finance Committee, the Hon. Member for Mississauga South (Mr. Blenkarn), said: "What do nurses know about this? Why do we have to bring them here?" The Hon. Member did not want a great many witnesses to appear. We brought them anyway, and they certainly knew something about health care services. They certainly knew something about the need to have proper financing. Again, it is interesting that the nurses and doctors agreed to hear them speak, but that Conservative Members did not.

• (1240)

We are now considering Bill C-44. Yesterday morning I received a telephone call from the Minister of Finance and I do not think I am telling any state secrets. He said: "We have this legislation which is in front of us. Can we get through it in one day? I really have to have this legislation. I cannot write cheques to the provinces unless we pass this legislation quickly. How about dealing with all stages and all witnesses, hopefully before the end of March?" This is an important piece of legislation. If the federal Government thinks it is an important