

*Dominion-Provincial Relations*

as though a province could stop some form of education program, for example, take the money it was receiving and place it in the welfare field if it thought welfare had a higher priority. To take an example in the welfare field, say disabled persons allowances or assistance to the unemployed—and incidentally it will be interesting to see what happens in the sphere of old age assistance: suppose a province would like to turn these funds over to education on the basis that education has a higher priority. The present bill and the supplementary agreements under it would not permit a province to do that; it would not permit this to be done at the present time. In 1967 or in 1970 when the agreements under schedule I expire, the provinces may be able to do this. But they would then be able to do it anyway, because then would come the time to renegotiate these joint programs, and certainly the provinces would avail themselves of every negotiating advantage or desire they might have.

This bill does not mean what the provinces wanted it to mean. It does not mean what it was held out as meaning. Of course, not all the provinces wanted this. This agreement was pulled out of some rather odd negotiations. But there were a number of provinces, led by Premier Roblin of Manitoba, which said that before going into these changes there should be an agreement as to priorities. The minister will have his opportunity later on, but this desire has certainly been expressed by a number of the provinces, a desire supported editorially in financial columns and elsewhere, that these priorities should be established. In my view the government would have been much further ahead if it had called such a conference on the subject of dominion-provincial priorities in the fields of education, welfare, and hospital and medical insurance. These are the most important fields in which the provinces are having to concentrate their expenditures. These are the fields in which, in the development of joint programs and in the carrying out of these supplementary agreements, the provinces have a right and have always had a right to determine where they should concentrate their major effort and their major expenditures. This has been one of the difficulties of the joint programs. The federal government has shown initiative in the past and I maintain that the federal government must continue to maintain that initiative. It will always do so, notwithstanding the provisions of Bill C-142, unless at some time the

constitution is changed. But it seems to me that before we continue to allocate funds as we do under this bill it would be preferable to call and hold a dominion-provincial conference to assist the provinces to determine their stand under this measure, with regard to which programs they may wish to take. After all, what is included in this bill does not exhaust the list of grant programs. I think this would have been the preferable course. It has been urged upon the government before but I will continue to urge it, and indeed I have an amendment which calls for this action to be taken.

In putting forward the amendment I am prepared to propose, I want it to be clearly understood that my hon. friends and I recognize the rights of the provinces in the fields indicated by the joint programs. These rights have always existed, and so have the rights belonging to the crown of Canada; otherwise all these things would have been ultra vires. The government of Canada still has the initiative when it comes to developing joint programs in certain fields, the establishment of national averages, national standards—to see that a program is well started and that it is accomplishing the purpose expected of it. And, having done that, it can step out of the administration of a joint program and give to the provinces, as does the bill before us, an area of fiscal freedom in which to discharge their responsibilities.

However, while I agree with some of the things which are being done in this bill, yet I must say that this legislation has been presented to us under a false cloak. Certain qualities have been attributed to it, and to its effects, which are just not possible under the bill as it stands. I hope, Mr. Speaker, you will allow me to refer to clause 3, which is the operative clause, which merely says:

A supplementary agreement shall contain an undertaking by the province that the province shall continue to operate the program in accordance with the authorizing instrument except as to the manner in which the government of Canada will contribute thereafter in respect of the program and the manner in which accounts are to be submitted.

We know that the provinces must signify their intention by October 1 next, and we know that the resolution was presented before Christmas, because already one province has indicated verbally its intention to avail itself of the provisions of this bill, should the bill be passed, and there are certain consequences that flow therefrom. The introduction of the resolution prior to January 1, 1965, was in the nature of a letter of intent, giving the revenue