

### *Federal-Provincial Fiscal Arrangements*

that the onus for acting on a federal Liberal campaign promise rested with the provinces.

No one would suggest that we can have a federal system without tensions, without differences between the central government and the provinces. Such tensions and differences have always existed, and they always will. They are part of the essence of federalism, part of the essential nature of our country. The issue is whether they are creative tensions and genuine differences, or whether too often they are destructive and contrived—whether they flow from the challenge of federalism, the challenge of our country, or whether they reflect an excessive rigidity by one of the partners or a deliberate attempt to pick a fight for perceived political advantage.

In my view, sir, we have had far too much of the latter in recent years. If you take a look at the previous governments under previous prime ministers—that of the right hon. member for Prince Albert, that of the late Mr. Pearson—we can find that there were tensions and differences between the partners in confederation. But there was an overriding spirit of co-operation and conciliation. There was no attempt to divide and conquer, no attempt to stage a confrontation. There was a genuine willingness to seek to accommodate national goals and national needs with regional aspirations. There was, in short, an honest effort to promote and sustain co-operative federalism.

One could cite many examples. Under the government of my colleague from Prince Albert the roads to resources program was adjusted from its original form to include tourism development to make it more relevant and more useful to the maritime provinces. Under his government, thanks largely to the initiative of the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) and the hon. member for Brandon-Souris (Mr. Dinsdale), the Canadian Council of Resource Ministers was created, not to bicker over jurisdictional points but to draw together the governments concerned to promote the fullest possible mutual understanding and co-ordination in an area of shared jurisdiction.

● (1450)

Probably the best known case of co-operative federalism under Mr. Pearson's government was the effort made to accommodate Quebec's particular needs and desires in the area of contributory pensions. But one should only mention the adaptations made to the Trans-Canada Highway program to better suit it to the special needs of certain regions of the country. I wish that I could find the same kind of spirit, the same kind of example, in the record of this government. Unfortunately, the examples that come most readily to mind, examples in certain areas such as energy policy, resource taxation and the phony conference on economic opportunities held in western Canada, bespeak not conciliation and co-operation but confrontation and a kind of unilateralism which is bound to breed distrust and feed a sense of regional grievance against the centre of the country.

We need to restore a sense of partnership to the relations between the governments in Canada and the sense of partner-

[Mr. Clark.]

ship among the individual citizens of the different regions of Canada, and to do that clearly we must be prepared to modernize our federal system to ensure that it better reflects and better respects the regional realities of Canada.

In terms of constitutional change, there is a clear place for us to start now. The premiers of all the provinces have indicated the questions where they think discussion is most urgent. The Prime Minister (Mr. Trudeau), in his celebrated reversal in Quebec City, indicated that he is prepared to start with a clean slate. I leave it to him as the leader of the government to take the action that he should take. I simply say that if the responsibility for government were ours today, we would sit down with the premiers and discuss seriously the priority areas they identify, including references to language rights. When that responsibility is ours, we will begin by seeking the views of the members of the thirty-first parliament as to the kind of constitution which would best serve modern Canada.

**Some hon. Members:** Hear, hear!

**Mr. Clark:** We would encourage the premiers to similarly consult their legislatures, and then we would meet the other heads of government in an open atmosphere and in the spirit of seeking agreement, first on goals and then on jurisdictions. Much can be accomplished without formal constitutional change. We have—and I have referred to some of them—examples of creative federalism in the years of the Diefenbaker government. I mentioned the Canadian Council of Resource Ministers, the ARDA program and several other initiatives. I think it is very important for us to begin again, in areas where jurisdiction is shared, to bring governments together to agree on goals, not simply to fight about jurisdiction but to emphasize the areas where we can co-operate rather than insisting on the areas where we have to disagree.

Again, we would be interested in pursuing, with the provinces, the development of mechanisms which would ensure that when one level of government acts within an area of its exclusive jurisdiction there was some means to ensure consideration of the impact of that action on other levels of government, even if they did not have a formal right to become involved under the constitution. Clearly, if the actions of one level have an impact upon another level of government, there must be some means for the affected level to be consulted before the fact.

In that same spirit we think it essential to ensure that national institutions, including the other place, the Senate, are in a better position to fulfil their functions as representatives of the whole nation. I have spoken before about my willingness to sit down with heads of other governments in the country, with the premiers of the provinces and others who are concerned, to discuss means by which we might ensure that the other place, the other part of this parliament, is better able to carry out its original founding function of representing regions.

**Some hon. Members:** Hear, hear!