

costs thus creating our present day well developed system of services and agencies.

This is why it seemed to us reasonable to hand over to the provinces the direct supply of health care which they had begun to assume. Although the federal government had undoubtedly played a leading role over the previous decade, we decided to hand over to the provinces the power to allocate resources, to control fully the financial administration of these programs, and to select the priorities which are of interest to their respective customers. So in 1977, for health services, and in 1978, for social services, we devised a different type of financial arrangement known as block funding.

I have already told the House, when speaking about these arrangements, how pleased I was to negotiate with the provinces in early March on an agreement for block funding of social services. It seemed fundamental to me in times of economic uncertainty to be able to guarantee to the provinces a certain amount of money for ten years. Through what will soon become an act of parliament, during the first five years, this amount will be fully guaranteed, whatever the situation in the country, increasing investments in a vulnerable sector of the economy, namely social services, from \$516 million in this the first year to about \$2 billion within 10 years.

The reason for the presence of the federal government in health and welfare remains fundamentally not so much a matter of leadership—which we assumed over the last decade, and which is no longer necessary since Canada has an adequate system of services and hospitals—but rather of redistribution. The formula underlying block funding in health and social services is redistribution of the money from the well-to-do provinces to the needy provinces in order to reach within the next decade, the same average per capita investment for all the Canadian people.

● (1622)

[*English*]

I should like, Mr. Speaker, to refer to the kinds of improvements in the lives and health of Canadians which are possible using this approach. It is interesting to speak of the past, but it is important to finish by referring to a few goals for the future. Canada is now a model to other countries. Canadians always have the bad tendency of thinking that they should have an inferiority complex. That is not justified. Canada is a model in preventive medicine. As referred to in a book on new perspectives for the health of Canadians, the care of their health is in their own hands.

In the coming years, this is what we will be doing in the field of health. As to the field of social services and social policies in general, there is still work to do. It is dreaming for hon. members of the House to think a guaranteed annual income of a universal nature would be possible in the coming years. It is a dream because the provinces rejected it in 1975, after years of discussion and negotiation.

The Budget—Mrs. Pigott

I cannot invite all hon. members to join the ranks of the government, but they should realize the government will continue to develop the work already started in income redistribution in this country. Perhaps this will be achieved through tax related programs and using the budgets and expenditures already in place. The government expenditures will not be increased, but as I once said in committee, there could be a shift of approximately half a billion dollars within the total of \$12 billion already spent on social services. In summary, the list of opportunities and the accomplishments over the last decade could be multiplied almost endlessly.

I am sure other hon. members would like to contribute to this budget debate. I congratulate the Minister of Finance (Mr. Chrétien) for the budget he presented. He did not give in to the loud cry we heard from hon. members on the other side, particularly by those in the Tory party, and unfortunately by the hon. members of the Social Credit party. He did not give in to all hon. members who wanted to cut the social and health programs of this country to the detriment of all Canadians.

Mrs. Jean E. Pigott (Ottawa-Carleton): Mr. Speaker, I am pleased to have an opportunity to participate in the budget debate. Perhaps the next time the hon. Minister of National Health and Welfare (Miss Bégin) will be very careful and listen to the comments of the hon. member for St. John's East (Mr. McGrath), who presented very constructive ideas concerning the social needs of our population.

The Minister of Finance (Mr. Chrétien) showed some recognition of the important shelter needs of Canadians when he presented his recent budget. Unfortunately, the board and lodging benefits for single persons employed at remote work sites fall far short of the mark. Canada has ready evidence of mankind's inability to solve basic food and shelter needs. It is sad to realize that the housing policies of the present government and the present budget provisions promise little hope for the solution of our housing problems. Government controls the access of Canadians to housing funds. Government influences the construction and distribution of housing. Government exercises considerable control over standards and research technology in housing. In short, while housing is an area of provincial jurisdiction, it is not without federal influence. Yet as this budget shows, the present technique for dealing with housing problems is through scattered, ill-planned, fire fighting measures.

The federal government's role in housing ought to focus on such areas as the development of national housing policies, monitoring housing-related conditions, evaluation and review of policies, co-ordination of housing-related efforts, sponsoring the development of new concepts and processes, and the provision of expertise to needed areas. Central Mortgage and Housing Corporation and Statistics Canada offer the federal government instruments for national housing research.

Important levers affecting housing, such as tax and monetary policy, rest in federal hands. There appears to be confusion in federal housing policy in the fact that housing is a national goal with a regional nature. Both constitutionally and practically, housing might best be administered at the provin-