

*The Budget—Mr. Baldwin*

take into account some \$3 billion of loans and investments, so-called, which are in reality disguised expenditures of the crown, and which are not taken into calculation in working out what is the financial position of the government.

During the last few weeks, Mr. Speaker, a rash of books have been published. People have been coming out from underneath rocks and from behind fences to write books about the political situation and the political affairs of this country. I suggest that the title of a good book at the present time might well be "The Great Swindle, or How to Wreck the Economy in Five Easy Budgets".

In the short time that is left to me I want to concentrate on the very iniquitous situation which has been brought about by this government in its relations with the provincial administrations. The Liberal party took upon itself the role of the guardian of the principles enunciated in the Rowell-Sirois report. They have constantly taken the position that a duty is cast upon them to strengthen and to centralize the financial position of the federal government and to redistribute the tax wealth of the country by providing provincial governments with fiscal equivalents and other funds in order to carry out certain joint shared programs. Time will not permit me to quote the statements of the ministers of this government to indicate that this is so.

• (9:40 p.m.)

When we refer to medicare, the hospital plan, the old age security plan, the pension plan, the Canada Assistance Plan and so on, we are not discussing here the merits of these plans. They are the law of the country, as we have been reminded by the government time and again. Considering that the federal government pushed the provinces into these various schemes it is late in the day for it to say, "We are going to withdraw."

I have no doubt about what happened, Mr. Speaker, The Minister of Finance and officials of the federal department took a look at a five year projection of the costs of these plans and they drew certain conclusions. It is obvious that they said to themselves, "We have started this; we think the provinces will be hooked in the habit. Now we will back out and leave them to it." There is no doubt, on my reading of section 8 of the Medical Care Act, that the federal government made an unequivocal commitment, or guarantee in one

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form or another, to pay 50 per cent of the cost of this particular program.

Replying to the hon. member for Winnipeg North Centre (Mr. Knowles) yesterday, the Prime Minister made this unconditional statement, which is found on page 2362 of *Hansard* in the left hand column:

The hon. member should realize that the law says in five years we will get out of it.

That is an unequivocal, categorical statement. There is no indication that the fiscal points which will be passed to the provinces will in fact cover this 50 per cent. I think this is most unconscionable and inequitable treatment by a government which insisted that the provinces enter into these schemes. Indeed, it made it difficult or almost impossible for the provinces to exercise the financial self determination which provinces ought to exercise. Now the federal government proposes to withdraw from the schemes. If I had no other reason, that reason alone would prompt me to vote for the amendment and the subamendment before this house. I fail to see how any intelligent and reasonable member in the house who has the interest of his country at heart can fail to do anything other than vote against the budget which this government has brought down.

**Mr. Speaker:** Order, please. The time being 9:45 o'clock p.m. it is my duty pursuant to section 4 of standing order 58 to interrupt these proceedings and forthwith put the question on the amendment to the amendment.

The house divided on the amendment to the amendment (Mr. Saltsman), which was negated on the following division.

• (9:50 p.m.)

## YEAS

## Messrs:

Alexander	Fortin
Asselin	Gilbert
Baldwin	Godin
Beaudoin	Gundlock
Bell	Hales
Bigg	Harkness
Brewin	Hees
Broadbent	Howard (Skeena)
Burton	Howe
Caouette	Knowles (Norfolk- Haldimand)
Carter	Knowles (Winnipeg North Centre)
Coates	Lambert (Edmonton West)
Code	Laprise
Comeau	La Salle
Crouse	Latulippe
Dinsdale	Lewis
Downey	Lundrigan
Dumont	
Fairweather	
Flemming	