

The Budget—Mr. Nielsen

years the federal government is going to get out of this plan. We in the north will then still be trying to get into it. I can see it now.

This gave to Ottawa pre-emption of the medicare field while at the same time making it difficult for the provinces to get into the field at all. It had the effect of putting off medicare for millions of Canadians.

An hon. Member: They will all need it after this speech.

Mr. Nielsen: I am sure the hon. member will have his opportunity later and I hope he will rise and enter the debate. Let him tell us when his province will be getting into the plan under the present formula of the government.

Having secured the credit for medicare in two elections the government has now squeezed out all the political mileage it can from medicare and is opting out. It is not surprising that the so-called opting out proposal from the Liberal government to the provinces is now being taken over at the federal level. We have had an example of the federal government inaugurating programs it could not pay for, knowing it could not pay for them, and now leaving the provinces to hold the baby.

Mr. Woolliams: What a baby!

Mr. Nielsen: And what a baby it is! Faced with a situation of financial chaos the federal government is in effect declaring bankruptcy and leaving the provinces to face the creditors. There has seldom been an instance of federal government irresponsibility to parallel this one. However the Prime Minister will find that the government is bound by the undertakings of its predecessors.

Medicare was brought in in its present form by his government. They took the Saskatchewan scheme, which Saskatchewan is now trying to modify because it is in deep trouble with it, and forced it down the throats or tried to force it down the throats of all provinces. The former minister of finance saw where they were going and he said it would cost \$500 million annually. He was not very wrong. That was for the federal end of it. He said that in 1969 that would be the bill, presuming all the provinces were in the scheme. Although the former finance minister warned them, they persisted. All the time they had in mind to leave the provinces to pay the bill. There has seldom been such an example of conscienceless manipulation of the people. The big Liberal party is over and we are now being handed the bill.

[Mr. Nielsen.]

Canadians, Mr. Speaker, are not any longer going to put up with this kind of fast and loose juggling of fiscal accounts that we have had from the government. We were given a set of estimates in March, and they were revised in October with an additional \$400 million added to the account. The fact is that the government has completely lost control. National accounts are out of control. The Prime Minister knows this, and so does the Minister of Finance. The 2 per cent surcharge on income tax, up to a ceiling of \$120, has got to be viewed as a desperate last ditch grab by the government for revenues. In order to get those revenues they are putting their hands in the pockets of the provinces, and that is what the complaint was the day before yesterday at the finance ministers meeting.

I will have something to say about the poor people, and about rule by the rich over there in a moment, but that is what the complaint was yesterday and today at the meetings of the finance ministers. In ordinary circles that kind of action is known as robbery, or at the very least larceny. Having over five years amassed a huge bill for uncontrolled extravagance and unworkable but very costly schemes, the government got together and said, "What are we going to do"? The answer was the easiest way out—send the bill to the provinces.

Ontario's provincial treasurer said yesterday they were embarking on a policy of fiscal balkanization. The simple fact of the matter is that the government's finances are in a state of chaos. I am making every allowance I can for the situation in which they find themselves but I cannot come to any other conclusion. I am sure hon. members in the rump to my right and across the way feel the same way.

Some hon. Members: Hear, hear.

Mr. Nielsen: They are agreeing. Let us examine the course of events. It is an almost incredible story of patching and papering, a story of borrowing from Peter to pay Paul, or perhaps it is borrowing from Mitch to pay Edgar. It is a story of blundering compounded, of half-hearted measures where bold and imaginative decisions were required. It is a story of a light that failed, of a ship that foundered, of a crew that has been overcome by its own incompetence. I am sure the rump can see that as well. These are the people across the way who railed and ranted and complained.