

legislation, not more. The legislation provides no legal authority to introduce any new conditions, standards or penalties. Claims to the contrary are simply wrong.

The legislation does contain a statement of the federal government's intention to launch the consultative process I have described, a process seeking mutual consent on principles and objectives.

[Translation]

Nothing new was included in this statement of intention. On budget night, on February 27, 1995, the government stated clearly that it would be "inviting all provincial governments to work together on developing, through mutual consent, a set of shared principles and objectives that could underlie the new Canada social transfer".

This is the exact same commitment we included in Bill C-76, word for word. What does "mutual consent" mean? It means no government whatsoever in Canada can be forced to adhere to new principles and objectives against its will.

• (1215)

In other words, only the governments who subscribe freely to new objectives and common principles will have to abide by them. Nothing is clearer than that and those who claim that we are dispensing with mutual consent are being ridiculous.

There is another piece of nonsense from the Bloc members that I would like to challenge during this debate. Contrary to the devious spin being given by the opposition, the bill does not allow the federal government to introduce new standards through the back door. Quite the contrary. There is absolutely no clause in the bill that allows the federal government to introduce new criteria or new financial penalties with the Canada social transfer. Bill C-76 does not allow us to tack new conditions on the Canada social transfer arising from the consultative process carried out by the Minister of Human Resources Development.

Those who say otherwise have misunderstood the bill. They do not make a distinction between statutory conditions and statements of intent. The principles and objectives eventually reached through mutual agreement between governments would not necessarily lend themselves to inclusion in a legislative text. If, some day in the future, the consenting governments want to entrench an agreement in a federal statute, it would be necessary to submit a bill to this effect to the Canadian Parliament.

In conclusion, I would say that one of the main characteristics of the Canada Social Transfer for health care and social programs is that it is proof that Canadian federalism is capable of evolving. It opens the door to further progress toward a kind of federalism that is more mature, more responsive to the concerns

### Supply

of Canadians, who want more viable programs, and to the concerns of the provinces, who want more flexibility.

It proves our commitment to get the government back on the right track and to reduce duplication and overlap, which will result in administrative savings. And it clearly shows the federal government's firm commitment to co-operate with the provinces. That commitment involves a consultation process on the establishment of a permanent distribution formula for the Canada health and social transfer, as well as on a series of issues concerning fiscal federalism.

I am not at all surprised that the official opposition expresses its dissatisfaction about the characteristics of the new program. The Canada health and social transfer delivers a fatal blow to the separatists' arguments because it proves the vitality and the flexibility of the federal system.

But the great majority of Canadian men and women strongly support this evolution of Canadian fiscal arrangements, as do most members in this House. Therefore, I urge all members to support this motion.

**Mr. Yves Rocheleau (Trois-Rivières, BQ):** Madam Speaker, I found my Liberal colleague opposite quite eloquent, in his own way. He has aptly illustrated the ambiguity and the depth of the government's strategy, which is to hide its real motives.

• (1220)

This is non-transparency incarnate, since it is saying one thing and doing another. It claims that this beautiful and supposedly united country is in the process of decentralizing, while in reality, what is really happening, to use the term used by the opposition and several columnists, is that the federal government is offloading under the pretext of decentralizing. It is decentralizing the fight against the deficit by foisting unprecedented cuts on the provinces.

This is obvious in Quebec. There is nothing surprising about the unfortunate closure of a certain number of hospitals when one considers that the government of Quebec has had to deal with over one billion in cuts per year, cuts made almost on the quiet, without any opportunity for discussion. Fourteen billion dollars in cuts over 12 years and now the federal government wants to sell us a form of decentralization! And these cuts are paired with the introduction of national standards. Next, it will boast that it is helping to fund such and such programs. This is downright indecent. It should at least have the guts to call a spade a spade.

I would like to ask the hon. member to once again explain how his government can justify this way of operating. It would be so simple to just respect section 93 of this country's constitution, which says that social matters, including education, fall under provincial jurisdiction, and to just divvy up the appropriate tax