

*Federal Transfers to Provinces*

to change the order in which Canada regulates itself. True paranoia becomes a self-fulfilling prophecy, and the behaviour of this government bears that out. The more paranoid it becomes the more paranoid it acts, and the more paranoid it acts the less people love it. Indeed, the public opinion polls tell that story every time they come out.

As I mentioned before, the relationship between the federal government and the provincial governments in the areas of education, social services and health is an intricate relationship which has been built up over many conferences, royal commissions and studies. We were blessed—or cursed, depending on how we want to interpret historic facts—with the BNA Act, which divided jurisdiction over health and education between the provinces and other jurisdictions and the federal government. However, in our truly Canadian fashion we have evolved because there has been a recognition that we cannot neatly divide those areas of jurisdiction. So over the years institutions have been established and programs and accords worked out. With this legislation those are all blown away, and this creates a sense of insecurity in the health profession and in the educational institutions of this country upon which people depend. Their lives and professions have been built around those agreements, and they are totally insecure and fear the future.

All this is occurring at a time when we in this country need co-operation. We need to work together because the future is looking more and more insecure. We are experiencing changes; the whole world is experiencing changes; this creates more insecurity and more social dislocations. We need co-operation; instead, this government acts irresponsibly and runs around like a bull in a china shop.

● (1610)

An essential element of making a country tick is trust among various levels of government. There must be trust that an agreement made today will be honoured tomorrow and that statements made today will be applicable tomorrow. The level of trust of Canadians and other jurisdictions in the government opposite has fast eroded.

In 1976 when the EPF was announced, the Prime Minister (Mr. Trudeau) guaranteed that there would be three years' notice given of any changes. Can we trust the government to live up to its word, if the past record shows that time after time it breaks its word? Of course the people of the country and other governments are not able to trust hon. members opposite. Can we blame them? The record is one that a sane person would come to the conclusion that hon. members opposite are not to be trusted and their word is not to be taken seriously because it changes from day to day depending upon their whim at the time.

Why are they moving now? One major reason is to reduce the federal deficit, but why should money be taken out of health and educational programs? I suspect that planners in the back room thought they had a cute little device to cut back health and educational programs in such a manner that it would appear as if the provinces were doing the cutting. The provinces will get the heat and the federal government will

save revenue. This type of ploy might have worked a few decades ago, but I suggest that at the present time Canadians are too smart for that. I am sure that the cuts proposed by the government opposite will carry through and that Canadians will recognize that they are cuts by the federal Liberal Party.

Why is there a 7 per cent effective reduction of federal payments to health and welfare programs? The reason was to reduce the deficit of government. We must remember that it is the government's deficit as a result of years, nay decades, of Liberal mismanagement of the economy and their own house. It is this mismanagement which other jurisdictions are being called upon to carry. I suggest this ploy will be recognized for what it is.

It is not the provinces, the universities or the hospitals that are to blame for the deficit. It is the mismanagement of the Liberal government. It is not the hospitals or the provinces that were responsible for over \$1 billion blown by the government on Mirabel airport. It is not the fault of the provinces or the universities that the energy program in the country did not make sense, was insane and stupid. It was not the fault of universities, hospitals or provincial jurisdictions that the interest rate policy increased or aggravated the effects of the deficit. It is not the fault of the provinces, universities or hospitals that many regressive tax breaks introduced by the government opposite during the 1970s eroded its tax base. Why take out the mistakes and sins of hon. members opposite on the health and educational systems? Hon. members opposite are to blame; they should clean up their own mess.

When the agreement was put into place in 1977, the federal government at the time wanted the provinces to introduce restraint in their health and educational programs. This is why it introduced block funding. There are some pros and cons about block funding. We suggested some of the things that were wrong with block funding. At that time the former leader of my party, Tommy Douglas, predicted that there would be a deterioration of the health system. In fact, this has come about. When the Minister of National Health and Welfare (Miss Bégin) and other hon. members opposite blame the provinces, in part they are correct; but also in part Tommy Douglas was correct when he laid the blame in 1976 and 1977 at their door. They were also to blame.

**Miss MacDonald:** The hon. member for Oshawa (Mr. Broadbent) was your leader at the time.

**Mr. Blaikie:** That is correct, but Tommy Douglas was our spokesman on health.

**Mr. de Jong:** Yes, that is correct. Of course, hon. members to my right—and they are always to my right—also supported the new arrangements at the time. Let us not forget that essentially the reason for the new arrangement was to help introduce cutbacks in education and health. This is exactly what happened; there were some serious cutbacks in education.

For example, since 1976 there has been an increase in tuition fees of 60 per cent across the country. From 1976 to 1977, the participation rate at universities fell from 19.4 per