

expansionism at the expense of the other. That in a federation is the key to the equilibrium and the welfare of all its citizens. It is in the concept of a balanced division of powers between two levels of government that the strength of a federation lies. Nations where that principle has been applied are successes, and as I say countries such as the United States and Switzerland, Canada and Australia serve as models known to everybody.

However, Canadians over the years accumulated grievances against the government, the bureaucracy, the politicians and the system. I am sure that the large majority of Canadians who speak that way have constructive purposes. And of course this is part of the democratic process, because improving the system is an unending task.

But when each and every imperfection can be debated publicly, the pictures and words conveyed finally give people who are not very politicized the impression they live in an undescrivable chaos while all the other countries of the world envy them their standard of living and their democratic rights. So I say to myself that we must help Canadians make over-all comparisons and not be blinded by the dramatization of some minor issues. True, there are and always will there be things to improve in our country, but I also know that we are much better off than others and that it is the extraordinary freedom we have that allows and furthers the work of reformists who want to change things for a better world.

So I feel like saying to all Canadians and to Quebecers, of course, let us keep on enjoying the exceptional freedom we now have. Let us keep criticizing severely all our governments, but let us not be foolish enough to destroy the very system which enables us to be more critical, more demanding of our governments.

There are numerous benefits specifically related to federalism, to the fact that Canada is a federation. I could talk about them for hours. However, what I would like to do today, as it is of more particular concern to me as Minister of National Health and Welfare, is talk about social programs and explain to Quebecers, as well as to Canadians in other provinces who might be tempted to forget it, just what redistribution of income is.

It is one o'clock. Therefore, I will continue this afternoon.

**The Acting Speaker (Mr. Ethier):** It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1.01 the House took recess.

● (1400)

#### AFTER RECESS

The House resumed at 2 p.m.

#### *The Address—Miss Bégin*

**Miss Bégin:** Thank you, Mr. Speaker. I was saying this morning in the first part of my speech how Canadian federalism is precisely the form of political organization that allows the redistribution of wealth, which is what has served Quebecers best and will continue to serve the ordinary Canadian, the everyday Canadian, best.

Of course, it is not my responsibility to decide what should come under federal or provincial jurisdiction in the area of health and welfare. For that matter, this is of little significance, because I want to deal with redistribution, and in any case, it is quite obvious that some services are better provided by the provinces which are on the spot and can take into account regional disparities and group particularities. On the other hand, it seems to me that we should not over-decentralize because beyond a certain point, decentralization becomes harmful to the very people it should be helping. So the federal system has served our people well not only because of the real savings it brings with it, but because of the significant distribution of wealth it allows.

Right now, in the province of Quebec, as my colleagues can verify, we are constantly being told by those who believe that the separation of Quebec is a good thing, "because we will no longer have to pay taxes to Ottawa and everything will go to Quebec, we will be able to do this or that and to have such and such a program." Having been Minister of National Revenue before becoming Minister of National Health and Welfare, I can tell you for a fact that the federal government taxes all Canadians evenly wherever they live in any one of the ten provinces, and I mean that all Canadians pay federal taxes and provincial taxes. The only difference is that the residents of the nine other provinces, except Quebec, pay their taxes by filing a single return which saves on administration costs, the federal government send back to each of the provinces its own share. Therefore, all Canadians are interdependent through the taxes they pay to the federal government according to their personal incomes.

If a province has fewer rich people, taxpayers with high incomes, it pays a little less than its share of federal taxes, which is in itself a form of help to the underprivileged. Now, for example, and I quote this figure because those given by the PQ government in Quebec are not realistic at all, Quebec pays at most 22 per cent of the federal taxes, even if its population represents 27 per cent of the population of Canada.

According to this reasoning, therefore, the situation is as follows: Quebecers paid on the whole \$13 billion in both federal and provincial taxes for 1978. Now the amount is shared between Quebec and Ottawa, but if all the taxes paid by Quebecers go to Quebec, there will be at most \$13 billion left, neither more nor less. Thus the question is whether existing programs can be maintained if Quebec separates. In fact the question is whether the people will still get the same old age security pension, the same supplement, the same family allowance, the same child tax credit? Will doctor