

over 63 per cent of the national output. It is the "have-not" provinces that are hurt the worst. The cutbacks impose an average net cost of \$2,440 per family in the "have-not" provinces, over triple the \$744 cost in "have" provinces. Surely that is unfair, Mr. Speaker.

The "have" provinces are equally guilty in how they fund the programs. The provinces with the least excuse are the ones that levy health care premiums. In British Columbia that amounts to \$315.5 million, in Ontario \$1.2 billion and in Alberta almost \$216 million. Ontario provides really good grants for raising pure-bred horses and for horse racing. But it also raised Mrs. Jones' health care premium. Surely that is an unconscionable activity for a government of any political stripe.

The proposed cutbacks are much more severe than was set out in the federal Budget, which included double accounting and did not take into account the effect of federal cutbacks on equalization; the Budget suggested a federal saving of \$915 million for 1982-83 but the actual saving was \$1.639 billion; a net impact on provinces and territories of \$169 million in 1982-83 including provincial tax increases; the latest available information puts the net impact at something near \$1 billion; a saving of \$5.7 billion was projected over the next five years but the latest information confirms a federal saving of \$11.1 billion. This cannot do anything but harm post-secondary education and health care programs.

The federal Government and Parliament must change priorities, Mr. Speaker, and not provide corporate giveaways, corporate tax deferrals and loopholes. I know they need more money so why do they not charge a modest 6, 7 or 8 per cent interest on the \$25 billion or \$30 billion which has accumulated in deferred corporation income tax? At present not a nickel of interest is charged, but a modest 7 or 8 per cent would bring in an extra \$2 billion or \$3 billion which could be applied to post-secondary education, hospitalization, medicare and chronic care homes.

Thousands of people in this country pay as much as \$10,000 per year for special nurses and \$1,500 or \$2,000 per month for senior citizen care. That should not be allowed. Parliament should change the priorities and see that programs like this come at the top of the list.

We must reform our tax system so that it is fair for everyone, no matter what their status in life and no matter what their income. Reform is 50 years overdue. I have mentioned three areas which badly need reform and which would provide additional revenue for government to distribute to the provinces for programs like this. We could then expand our health care programs and university education in a much better way.

Hon. John C. Crosbie (St. John's West): Mr. Speaker, this is a deplorable piece of legislation because the principle of it is one of betrayal. The Bill betrays the provinces of Canada, the provincial governments of Canada and betrays the universities of Canada. It betrays post-secondary institutions of Canada, it

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betrays the young people of Canada and it illustrates rank hypocrisy in the actions of the Government.

There is an article in today's Ottawa *Citizen* about the new Minister of State for Youth (Mrs. Hervieux-Payette). That is a useless appointment but it makes the Government sound like it is doing something for youth. However, in this article the Minister herself pointed out that one in five young Canadians is without a job and future prospects look dim. Yet the House is discussing a Bill to reduce federal contributions to post-secondary education by \$118 million for the fiscal year ending next March and to reduce the federal contribution to post-secondary education by \$260 million in the next fiscal year starting April 1, 1984. Is that not rank hypocrisy? Is it not an illustration of the rottenness and internal self-contradiction of the people now administering the affairs of Canada? They pretend to be concerned about the prospects for youth by appointing a Minister of State for Youth, yet on the other hand, a year ago, they announced a scheme to impose a ceiling so-called of 6 per cent and 5 per cent on the contributions to the provinces for post-secondary education. That is the rankest hypocrisy.

As a person who comes from an area that now has an official unemployment rate of 19.2 per cent, but where in reality I would say one-third of the population is at present unemployed when people not working and who have no prospects of finding jobs, and are therefore not listed by Canada Manpower, are included, I tremendously resent the Bill.

I was a provincial Cabinet Minister from 1966 to 1976, except for three or four years when I was in Opposition to another vicious and decaying Liberal administration, which we destroyed in 1971 just as in 1984-85 we are going to destroy the vicious, insensitive Liberal administration on the federal scene. During that time I was involved, Mr. Speaker, in federal-provincial negotiation after federal-provincial negotiation, first as a Cabinet Minister with the Liberal Party in Newfoundland. Then after I saw the light, got on the right track, from 1971 to 1976 I was with the provincial Conservative Government. Never in all that time, Mr. Speaker, did federal-provincial relations reach such a low state as they have today. I can remember when provincial Ministers used to deal with half decent and reasonable federal Ministers. I remember dealing with John Turner, for example. He was a Minister of Finance of Canada one could deal with, who would listen to a rational and reasonable presentation, and who would change federal policy when that became necessary. He changed the tax equalization formula when I brought to his attention the inequities that this was causing to the hydro-electricity situation in Newfoundland and Labrador. He changed the formula to resolve that inequity. But that kind of person is long gone.

● (1200)

Ms. Jewett: Turner for leader!

Mr. Crosbie: Those Hon. Members will certainly be better with John Turner as leader than with the rotten tribe they have leading them now. Yes, there is no question of that.

Mr. Fisher: Will you come over if we do that, John?