

*Federal-Provincial Fiscal Arrangements*

Finance waxed lyrical last Friday with respect to this agreement, certainly he was less than candid in his own performance in that situation, one which did not provide any leadership with respect to negotiation and reconciliation but one which was characterized far too often by unilateral approaches, ones that were in effect a kind of confrontation which our federal system can ill afford.

I suppose in a way the Minister of Finance, in this kind of "High Noon" approach that he has been adopting with provinces from time to time during his years in office, is not all that different from his leader. After all, from the outset to the time the Prime Minister assumed his position as justice minister in the Pearson government, he acquired an exciting reputation for himself by the way in which he was able to take on various premiers or other provincial officials and indicate what a clever fellow he was, how astutely he could argue nice constitutional points and, in effect, get one up, which I believe is the phrase, on various provincial governments. I cannot believe, and I doubt if many members honestly believe, that the exercise of one-upmanship will foster much by way of support for our federal system and for our willingness to understand and recognize each others differences, each others distinct advantages and sometimes liabilities. One would hope that at the very least, as a result of the election of the Parti Québécois last November, the Prime Minister has dropped that particular unpleasant characteristic.

I have more serious concerns about the Prime Minister's style and that of the Minister of Finance because it has become my firm belief that, during his time in office, the Prime Minister has exhibited on far too many occasions an out of date approach to the concept of how our federal system works. I know that the Prime Minister, if anything, has been regarded as a constitutional expert, that he published books, wrote articles, gave lectures, and was considered to be one of the more informed people with respect to the advantages of a federal system, particularly ours. But I think also we have to recognize the fact that much of the Prime Minister's formative experience took place in an altogether different situation, in an era prior to the 1960's when Quebec as one province stood in a much different relationship to the Canadian federation.

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I think as well that there has come through clearly during the Prime Minister's time in office a rigidity of approach which has not been attentive to modern day needs and requirements either of the federal or provincial governments. The clinging to rigid, outworn concepts has not helped us, either in fiscal matters as are before us today or in more general matters as they pertain to Confederation.

In addition, I find the Prime Minister has a shocking lack of a sense of history and a sense of understanding of the nature of this country. Indeed the Prime Minister's approach to dealing with the Confederation issue has far too often been a kind of individualistic if not elitist approach. I suppose that is not surprising, given his background, but I wish he would stop imposing it upon the rest of us. It is terribly important, when

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viewing the situation in Quebec, in the Atlantic provinces, or in western Canada, to realize it is there not only in an individual sense but in a community sense. In dealing with that sense of community, its needs and its requirements, we will deal realistically with the shape of this Canadian federation.

As I said at the outset, Mr. Speaker, combining these with an attitude which registered federal-provincial relations on the profile of a winner's and loser's game will not help us to survive successfully in the twenty-first century. As I say, there are fundamental weaknesses in this government and its failure to understand the nature of modern federalism, and in particular the Canadian federation. I think some of them are reflected in the comments of the Minister of Finance on the measure before us today.

I want to quote two items in particular from the speech the minister made last Friday. As reported at page 3201 of *Hansard* for February 18 he said:

We at the federal level believe that the national government must preserve enough fiscal resources to redistribute income to persons and regions, to stabilize the economy and to continue to help finance the services Canadians in all parts of the country need and deserve.

In some ways one could not take great issue with that statement, but one is hit particularly with the use of the verb "stabilize" and the phrase "stabilize the economy". I suppose in a way the minister let the cat out of the bag some months ago when preliminary discussion was taking place on these particular negotiations and the bill that is before us, with the suggestion that they had to put the cap on in terms of runaway expenses, shared-cost programs, and responsible expenditures, and that we did not want to see a situation that is perhaps in danger of occurring in some areas of runaway expenses that bore no relationship to the needs in the several regions of the country.

What concerns me, Mr. Speaker, is the lack of recognition that the services that are being provided across the country at the present time, in health, hospital care, and post secondary education, are not all the same. There exists in some instances the widest possible disparity. To fail to recognize that situation would be to fail to take into account some of the pressing problems that we have within our Confederation.

As reported at page 3202 of *Hansard* for Friday, February 18, the minister also said:

This program assures all Canadians of a reasonable level of vital public services, without forcing them to pay much higher tax rates than the national average. It attempts to reduce as much as possible regional disparities throughout the country and it will continue to do so as an efficient means of preserving national unity.

Statements about not paying much higher taxes, or about attempts to reduce regional disparities, in a sense are a kind of halfhearted commitment to something that I thought the Prime Minister and his colleague had committed themselves to very fundamentally and fully. I will not repeat or trespass upon the patience of the House to put on record some of my remarks during private members' hour this afternoon. The rhetoric delivered by the Prime Minister on such occasions falls very far short of what the Minister of Finance was telling us about this bill on Friday last.