

Federal-Provincial Fiscal Arrangements Act

the Provinces, and it is my view that it is essential that the Bill should go through within the best possible time frame.

The Acting Speaker (Mr. Charest): Questions, comments. The Hon. Member for Sudbury (Mr. Frith).

Mr. Frith: I have a question, Mr. Speaker. At a meeting of the Quebec Conservative caucus held in Sherbrooke on June 26, 1984, the Progressive Conservative Party promised to assume the federal obligation to finance provincial health care under the established program financing scheme and to provide additional funds to the provinces on a cost sharing basis.

• (1230)

[English]

Why did the Conservatives break that election promise made in summer of 1984?

[Translation]

Mr. Vincent: First of all, Mr. Speaker, the Government has not broken that promise. I am entitled to 20 minutes, Mr. Speaker. For the past 20 minutes, I have been trying to tell them that the Government has increased . . . There will be an increase of one billion dollar per year over the next five years. This is certainly not a reduction. It's one billion dollar more per year.

Over the past five years, Mr. Speaker, \$65 billion have been paid to the provinces. Over the next five years, \$90 billion will be paid to them; 90 minus 65 is 25. Therefore, there will be an increase of \$25 billion. We have not broken any promise there. In addition to keeping and fulfilling our promises, we have done more over the past 18 months regarding our election promises than the former Government did in four years with the promises it made in 1980. In 1980, they had promised not to increase the price of oil, hardly two months elapsed when the price of oil skyrocketed. When we make promises, Mr. Speaker, we keep them. We could not keep all our promises the very same day for a very valid reason. When we took over power on September 4, we found a mess. It was—I will not say the word because it may not be considered parliamentary—nevertheless, I will say that we had a big clean up to do, even bigger than we had expected. And that, Mr. Speaker, is something even the Liberal Premier of Ontario had to acknowledge.

So, Mr. Speaker, we are going to keep our other promises as well, but we had to do a lot of cleaning and there is more to be done.

[English]

Mr. Murphy: Mr. Speaker, the Hon. Member who just spoke indicated he found that Members of the Opposition always look on the black side of things and their comments are either negative or not quite correct. I found that quite interesting. In my own speech, which preceded the Hon. Member's remarks, I quoted from three Members of the Conservative Party when in opposition, the Minister of Finance, the

Minister of National Health and Welfare and the Minister of Employment and Immigration. I hope the Hon. Member will apologize to his Cabinet colleagues for the insult he has reflected upon them.

I am certainly willing to defend the words of the Minister of Finance when he was being honest with the people of Canada in 1981-82. He said there should not be unilateral action or cut-backs at that time. I wonder if the Hon. Member would explain how the Conservatives in 1981-82 could speak against unilateral action, could say that the cut-backs would be hard on the provinces and that it would transfer the deficit from the federal Government to the provinces—the Hon. Member is being informed of what the answer should be—and then the Hon. Member say what he did?

Mr. Frith: Because they are hypocrites.

Mr. Murphy: I will continue to speak for a few moments, Mr. Speaker, to give the Hon. Member a chance to be briefed on his answer.

I wonder why the present Minister of Finance said in 1982 that there should not be unilateral action and that the deficit would be transferred from the federal Government to the provinces? Further to that, does the Hon. Member believe the Conservative campaign promise on page 98 of the PC campaign handbook which states with regard to established program financing for post-secondary education: "We would return to the 1977 funding formula"? That is from the Conservative handbook.

Mr. Blackburn (Brant): The handbook is now in the Smithsonian Institute.

Mr. Murphy: Why did Conservative Members of the Opposition make that promise when this legislation is going in exactly the opposite direction? Why did the Minister of Finance in 1982 say that we should not transfer the deficit to the provinces when now, even worse than the Liberals, he is transferring more of the deficit to the provinces?

[Translation]

Mr. Vincent: I thank the Hon. Member for his question, Mr. Speaker, for it will give me the opportunity to repeat for the fourth time what I said this morning.

First of all, Mr. Speaker, to those who have said that there were no consultations and that the Minister of Finance (Mr. Wilson) has acted unilaterally, let me say that I indicated a while ago the dates on which the federal Minister of Finance and his provincial counterparts met and came to an understanding.

It is a fact that provincial Ministers of Finance want as much as they can get. That is quite normal. However, the provinces are aware of the mess we have inherited from the former Government and they realize that they must work together with us to build a better country, a better Canada.