

care of expenses which must be looked after as a result of Bill C-97, which we are hoping to pass into law before March 31.

• (2100)

I have brought into my remarks tonight my concerns about the fact that the province of Quebec complains on a daily basis about the federal government, despite the fact that it is the major beneficiary of the programs included in the bill. Of course that is no reason for the amounts to be reduced. Nevertheless, I hope, in the course of the debate and the passage of the bill, that members from the province of Quebec will talk about the amount of these transfers, the fact that in fiscal equalization the sum is not fixed and that as a result, within the current fiscal year the province of Quebec will benefit by \$400 million more than it could have expected last spring. Also I hope that they will mention such programs as the Canada Assistance Plan which pays, without limit, 50 per cent of the cost of social programs, and that the province of Quebec, once again finding itself in difficulty, is able to turn to the federal government for financial assistance.

I sincerely hope that this bill, which in my opinion is extremely generous and extremely beneficial to the province of Quebec, will be passed with the approval of all hon. members of the House including the opposition. I hope it receives speedy passage.

Mr. Pat Nowlan (Annapolis Valley-Hants): Mr. Speaker, I am happy to participate in the debate on Bill C-97, which has a fairly complex sounding title which reads:

An act to amend the Federal-Provincial Fiscal Arrangements and Established Programs Financing Act, 1977 and to provide for payments to certain provinces.

That is the short title of Bill C-97 which is being debated this evening.

I do not imagine there is a bill which could be debated in the House of Commons that would more accurately reflect the reality of Canada than this one which deals with equalization payments to the provinces which have and the provinces which have not. With the complicated formulas in the bill and the many clauses of it, I share the concern of many other hon. members who have spoken today that we are faced with a relatively short period of time in which to analyse fully all its implications. In that context, I compliment the parliamentary task force and several of the members who have spoken. I congratulate my colleague who led off the debate, the hon. member for Mississauga South (Mr. Blenkarn), the hon. member for Winnipeg-Birds Hill (Mr. Blaikie), the hon. member for Vaudreuil (Mr. Herbert), and other members who were on the task force. There were approximately nine members on the task force who contributed much time and effort to this most complex subject. In view of the amount of paper which comes across one's desk, I dare say that all members have not had the opportunity or taken the time to digest the report of the task force which, in short, is called, "Fiscal Federalism in Canada". I think the members who served on that committee deserve credit. It was really the blueprint, the map and certainly the photograph of what happened in terms of rationalizing fiscal arrangements between provinces and the

federal government. It tried to balance national objectives and to pay respect to provincial jurisdictions. I think the task force did a very good job.

Something that has not been mentioned much thus far is that as we talk loftily about federal transfers and provincial jurisdictions, we are really just talking about something which has a common denominator, that is, the needs of the people of the country being taken care of out of their pocketbooks. The pocketbook is not federal or provincial. It is the pocketbook of taxpayers which pay for social, health and educational needs.

An hon. Member: It is the same old pocketbook.

Mr. Nowlan: As my friend behind me says, fundamentally it is the same old pocketbook. We are really following the steps of history tonight, as did the task force earlier in the year. We can follow them right back to the Rowell-Sirois commission which in effect conducted the first major review of tax policy and fiscal arrangements between provinces and the federal government ever held in the country. It started to chart what is here today. It certainly reviewed the changes which occurred from confederation to 1940, when I think the commission finally reported. In that context, we are dealing with the fundamentals of providing for the social needs of Canadians from coast to coast. Certainly we in Atlantic Canada are most sensitive when members start talking about equalization payments because, as Alberta was in the Rowell-Sirois days, at the present time we are still a have-not area. Thus, any change in the formula, the base or the percentage which affects the dollars flowing to Atlantic Canada, in particular to the province of Nova Scotia, causes us a great deal of concern.

As I listened to the debate thus far, I thought that perhaps there were two things polluting a rational, objective discussion of the bill. One was very political and concerned the credibility of the Minister of Finance (Mr. MacEachen) from Nova Scotia. If the present Minister of Finance could obtain the crystal ball which Mackenzie King, his erstwhile mentor, followed, if he could look at the path followed by the last Liberal minister of finance from Nova Scotia, the Hon. J. L. Ilesley, the hon. member for Digby-Annapolis-Kings, and if he could have a conversation with that gentleman who was a classical Liberal full of principle—

Mr. MacEachen: Why do you not refer to the hon. member for St. John's West (Mr. Crosbie)?

Mr. Nowlan: I distinctly said the last Liberal minister of finance from Nova Scotia, the Hon. J. L. Ilesley. He was a very fine Canadian and a very fine classical Liberal in the finest sense of the word, before it was polluted and changed from Liberalism to Trudeauism. I will not comment upon that too much because my speech will not be partisan tonight. If the present Minister of Finance could talk to Mr. Ilesley in the hereafter, I am sure Mr. Ilesley would say, "For goodness sake, Allan, you can play with the figures all you want, you can talk about a 1961 base, but watch out". It was not relevant for the minister to talk about the 1961 base and how federal revenues slid down because we are talking about 1971 to 1981 when in