

He was talking about the arrangements to finance post-secondary education and health services.

—for them to be risked, or even sacrificed, for some short-term, short-sighted federal budgetary or political advantage.

I could not have put it better myself. Indeed, in dealing with that very same proposal by the then Liberal Government to reduce its share of the funding for these programs, the present Minister of Finance (Mr. Wilson) said the following in a speech on March 23, 1983:

The provinces are now moving into a deficit position; a position which will make it more difficult for them to finance this shift in spending. That is not co-operative federalism. That is predatory federalism and it will not and cannot work in this country.

What has happened in the four years since the Minister made that speech? The problem has not changed. The only thing that has changed is that the present Minister of Finance was a leading spokesman for the Opposition at that time.

I would like to put on the record an election promise of the Conservative Party. In the 1984 election campaign the members of the Progressive Conservative Party stated the Party's views on financing health and education very forthrightly. They said:

We are committed to sustaining the current federal financial commitment according to the formula set out in the 1977 Agreement—

That promise was made just two years ago and they are now bringing in legislation to wipe out the formula set out in the 1977 agreement. The end result of that is that through the provisions of Bill C-96 they will reduce the over-all federal level of spending in both health and secondary education to 36 per cent from the present 43 per cent.

Our health service needs are growing and becoming more necessary and more important rather than less, thereby becoming a necessity on which we could spend less money. The population of Canada is aging. I am sure that Members know that older people require more visits to doctors, stays in hospitals and prescription drugs than do young people.

In addition to the problem of aging we have the problem of poverty. There is not a Member of Parliament from any province of the country who is not aware that the number of people in every city in the country who are utilizing the services of voluntary groups and agencies which provide food baskets and second-hand clothing for the unemployed and those who have not been able to find jobs is increasing. It is no longer just the poorly educated or native people who are going to these voluntary agencies. The middle class, people who have owned homes but lost their jobs and are now losing their homes because they cannot meet the mortgage payments, are turning up at these voluntary agencies in increasing numbers. We know that the poor are much more likely to use the health care system.

● (1730)

A study done recently in Montreal said that while residents of Montreal's most favourite areas enjoy a life expectancy unsurpassed by any country in the world, the life expectancy in

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the least favourite areas are more typical of Third World countries or about the same as those enjoyed by the average Canadian some 30 years ago. The study found a marked link between income and illness. People in the low-income brackets were ill much more often and for longer periods of time than those in the middle and upper-income brackets. I have to say that I find it shocking that a Government with 57 of its Members from Quebec would consent to a cut-back in health services which will be the inevitable result of the reduction in funding by the Government.

Are we spending too much on health? Some people have made that allegation. They say we can afford these cuts because we have been too generous. Nothing could be further from the truth. According to OECD studies, Canada is nowhere near the top spender in these areas. In a 1983 paper produced for the Organization for Economic Co-operation and Development entitled "The Growth of Social Expenditures", Canada is ranked tenth out of 18 reporting countries on per capita spending in U.S. dollars in 1981 on social expenditures at \$1,028. The U.S. was seventh at \$1,196. Canada is twelfth out of 18 in the percentage of gross domestic product allocated to social expenditure. The U.S. is thirteenth at virtually the same percentage. We are not spending too much money yet the Government is proposing in this Bill to cut back substantially on what we do spend.

Let me just take a moment to go back to the problem of our universities and their inability to conduct the research required in every other industrialized country. When the Conservative Party was in opposition it accepted the advice given to it by researchers in industry and the universities that Canada was doing much too little. Of the OECD countries rated, Canada was second to last in the percentage of GNP devoted to scientific research and development. We were spending substantially less than 2 per cent when other countries were spending 2.5 per cent or more. The Conservative Party, when in opposition, promised that if it formed the Government it would aim to get very quickly to the 2.5 per cent level. Yet we have seen the exact opposite. Partly because of its fixation with getting the deficit down, partly because of a blind faith that the private sector will fill the gap, the Conservative Party has come up with a program which on paper seems to indicate that we will reach the goal of 2.5 per cent in the next few years. However, the proposal is based on a major fallacy, that is, while the Government holds the line or cuts back on its research funding, somehow the private sector can be persuaded to increase substantially its contribution and support. There was a conference in Winnipeg this week and a number of leaders in the scientific community, including—

The Acting Speaker (Mr. Gottselig): I regret to advise the Hon. Member that his time has expired.

Mr. Orlikow: I wonder if I could have another moment or two?

Mr. Epp (Provencher): No.