

Federal-Provincial Arrangements Act

• (1630)

To effect this transfer to the provinces it is essential that the Secretary of State know how much is in fact spent on eligible operating expenses of post-secondary education institutions. For this reason, clause 32 (a)(iii) is required so that the Secretary of State may ensure that the federal government is not sharing in expenditures incurred by institutions at the secondary school level. The program is for post-secondary education. For example, grade 13 in Ontario and grade 12 in the other provinces are considered post-secondary. Therefore, in order to administer the program you must be able to distinguish, in expenses incurred by a high school, between those at the post-secondary level—grade 13, or grade 12 in provinces other than Ontario—and those at lower grades that are secondary level. Accordingly, clause 32 (a)(iii) is necessary.

Paragraph (iv) of clause 32 permits the definition, by regulation, of the expression “assisted, sponsored or contract research”. This, again, is to ensure that the federal government is not paying twice for research, once by way of contract, as is often done under other programs which would in many cases involve bearing the full cost of this type of research, and again by paying 50 per cent of its cost through the post-secondary education program.

Paragraph (v) permits the definition, by regulation, of the expression “operating expenditures incurred for post-secondary education” and again is needed so that the quantum of funds to be made available can in fact be determined. If there were no definition of “operating expenditures incurred for post-secondary education” there would be no way of determining whether the provinces were receiving more or less than they should. With great respect, I suggest to the hon. member for Edmonton West (Mr. Lambert) that his amendment would, if adopted, be a real disservice to the provinces. It would simply make it impossible for the program to be properly administered.

With regard to the general authority to make regulations contained in subclause (g) of clause 32, I think I see in the amendment the well-known stamp of the hon. member for Edmonton West who fights a battle against the power to make regulations when any bill containing such provision comes along. I can only say that the necessity for making regulations here has been recognized. In discussions with the provinces they have never for a moment suggested that regulations should not be permitted to be made. As a matter of practice, the provinces are consulted to inform them of the government's intentions to make regulations and to obtain their views before any regulations are passed. As I say, no province has suggested that this power should not be in the bill, since it is most necessary and desirable to permit some flexibility in the operations of the programs as they evolve.

Accordingly, I ask the House to reject the amendment before us.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the amendment now before the House may be justified, especially in the light of the essential principles that should apply in all equalization matters and tax sharing arrangements between the central government and the provinces.

[Mr. Mahoney.]

Mr. Speaker, in his speech of March 2 last my colleague the hon. member for Roberval (Mr. Gauthier) summarized the whole problem ably, sensibly and very accurately.

If the central government has so much money available, if it is in a position, through the Minister of Finance (Mr. Turner), to dictate to the provinces their policy in the economic and financial sector, it is by reason, at the very beginning, of poor coordination and of the conclusion of temporary agreements which are becoming more and more permanent. The takeover by the central government in some fields that were to be the sole responsibility of the provinces, according to the constitution, is becoming more and more abusive.

Today, many Quebecers are severely blaming the central government for its intrusion in some fields supposed to belong exclusively to the provinces. They are right in their reasoning.

By way of heavy expenditures, an effort is being made to coordinate taxation between the central power and the provinces, and once this has been achieved, it is doubly costly, whereas it would be so simple to allocate responsibilities first and then give each government the necessary resources to administer itself properly.

There is however a time when in spite of everything, we should say to ourselves: No matter where the money comes from, it is our money! And even if the results of expert calculations would seem to show that one province is paying more and another is paying less, that may not always be correct and most of all that may not be fair.

Of course the money allocated in all kinds of ways by the federal government always comes from the taxpayers' pockets. So why not then preserve certain prerogatives, certain special rights, I would even say certain privileges which certain areas of this country, including the province of Quebec, want to preserve above all? Why not? We know that Quebec prizes the education field like the apple of its eye.

As it was so well demonstrated by my colleague from Roberval, a simple way to solve this problem would be to conclude a new constitutional agreement under which all the provinces could determine new structures that would permit everyone to live in a more independent, free and happy way.

Mr. Speaker, when we are faced with the fact that the provinces themselves are accepting these proposals—and it is understood that a technical difficulty remains to be overcome—I do not see why we should repeat the same mistakes already made in Quebec when money from the federal government was refused in the name of basic principles. Finally, it turned out that this money was simply lost. Quebec never saw the colour of it and yet it had been paid by Quebec taxpayers as well as by taxpayers from other provinces.

• (1640)

So, this is why we are facing some sort of dilemma. If the government rules and administers the country in a dictatorial fashion and the provinces accept it, then there is nothing to be done about it. What would need to be done would precisely be to change the system basically. But when it comes to education the provinces should, of