

## FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

### TRANSFER PAYMENTS TO PRINCE EDWARD ISLAND

**Right Hon. Joe Clark (Leader of the Opposition):** Madam Speaker, I have a supplementary question for the Minister of Finance who was asked whether he stood by his budget statement that the Government of Canada was expecting savings in payments to provincial governments. He answered that question with a yes. Can he now give us a guarantee that Prince Edward Island can continue to count on the \$193.8 million it receives in transfer payments from the federal government? That is a simple question, and a direct figure. Can the Minister of Finance give us that assurance now that Prince Edward Island can continue over the next two, three, or four years to count upon that amount of transfer payment from the federal government.

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, as the Leader of the Opposition knows, the whole question of fiscal transfers is now a matter of discussion between the Government of Canada and the provinces. It is under study by the parliamentary task force. The Leader of the Opposition talked about the figure of \$193 million. It may be that, as a result of changes that take place in the transfer system, Prince Edward Island might even increase. I don't know.

**Mr. Crosbie:** It might decrease.

**Mr. MacEachen:** I said it might increase. I did mention, when I was in Prince Edward Island a week ago tonight, at Saurio where I followed the right hon. gentleman at a meeting, the whole question of fiscal transfers. I pointed out, for example, that in 1979 the per capita revenue from resources in the province of Alberta was about \$1,800, while in the province of Prince Edward Island it was \$3. That is not the kind of revenue distribution that we on this side of the House stand for, but it is espoused over there.

**Mr. Clark:** Madam Speaker, the Minister of Finance promised in his budget that he would realize savings by cutting back on transfer payments. He has now resisted answering a straight question regarding payments to the province of Prince Edward Island. He said they might increase, which means that they might very well decrease. We on this side of the House suspect that he is planning a decrease in the amount of money which will be available to the people of Prince Edward Island, and that he is trying to avoid questions in this House by hiding behind the task force that has been established.

● (1150)

What we want to know now is whether the Minister of Finance will give a guarantee that the new formula which will be worked out will guarantee the people of Prince Edward Island that they will receive at least as much in the future in transfer payments as they are receiving now. Will he give us that simple guarantee, and will he give it to us now?

**Mr. Baker (Nepean-Carleton):** Yes or no.

## Oral Questions

**Mr. MacEachen:** Madam Speaker, the Right Hon. Leader of the Opposition is really quite unrealistic. He would probably be the first to criticize if I, at this moment, decided what will be the result of negotiations with all the provinces, and what will go into a form of agreement with the provinces. It is absolutely a fact—and I do not withdraw from the budget statement at all—that we hope to achieve savings in the transfers to the provinces. We have not decided yet where those savings will take place, or in what programs. We have not decided how a new fiscal system will operate. All of this is up for discussion. I think it is quite unfair for the Leader of the Opposition to pick a figure out of the atmosphere and say, "Yes, stand by that," even before negotiations with the provinces have commenced.

\* \* \*

## AIRPORTS

### REQUEST FOR ASSIGNMENT OF PRIORITIES IN MODERNIZING MUNICIPAL AIRPORTS

**Hon. Bud Cullen (Sarnia-Lambton):** Madam Speaker, I have a question for the Minister of Transport. Yesterday the minister indicated that he was prepared to consider another privately financed terminal at Toronto airport. It is appropriate that most of the airports which are discussed in this House are the larger ones, the Montreal airport, the Toronto airport, the Winnipeg airport, etc., but across the country there is a series of smaller municipal airports, quite often funded by the federal government and administered by the local municipalities. Many of these now have master plans, and they are significant to the economy of those particular regions.

I wonder if the Minister of Transport is prepared to indicate today that he will take a careful look at the smaller airports and to set some priority there, because they are fast becoming out of date in terms of not serving communities and certainly in terms of not serving the air industry of Canada.

**Hon. Jean-Luc Pepin (Minister of Transport):** Madam Speaker, the only thing I can say rapidly on this subject this morning is that my department's budget for airports over the last years had been declining quite substantially. I made a presentation to my colleagues on this subject, and I think they will be very sympathetic. Notwithstanding the fact that the needs for local airports are almost unlimited, I now hope that in the coming months I will be in a slightly better position to do more than has been done recently for medium-sized and smaller airports.

\* \* \*

## EMPLOYMENT

### JOB CREATION PROGRAMS FOR YOUNG PEOPLE

**Mr. David Orlikow (Winnipeg North):** Madam Speaker, I would like to direct a question to the Minister of Employment and Immigration. In answer to an earlier question he pointed