

Oral Questions

before July 31 will end up paying the full freight rate if the grain was shipped to the terminal after August 1.

This position was not made clear in the budget. Farmers were led to believe that as long as the grain was in the elevator by July 31 the Crow benefit would apply. Now farmers find out this is not true. They may be stuck with paying the full freight rate even if their grain was in the elevator before July 31 deadline.

The minister should have been straightforward with farmers about this deadline in the first place. Farmers will end up paying the full freight rate on some of the grain they deliver before the end of this crop year.

ORAL QUESTION PERIOD

[*Translation*]

SOCIAL PROGRAM FUNDING

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the budget announced a series of reforms that would consolidate transfer payments as a single payment—considerably downsized, by the way—the Canada Social Transfer. This announcement reflects Ottawa's disengagement from social programs financing. Instead of giving the provinces this much vaunted flexibility and autonomy, it wants to impose new national standards for health care, social assistance and post-secondary education.

How can the minister claim that his government wants to ensure that all Canadians have access to adequate services, when at the same time it substantially reduces its commitment to social programs by transferring its financial responsibilities to the provinces which already have serious financial problems?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the provincial Premiers and all provincial governments are now analysing their respective programs, and we have done the same at the federal level. Everyone realizes that as far as government spending is concerned, we must reduce the pressure on the taxpayer. We have informed the provinces of our position. They have been aware of that position since December 1993, when we told them that we would eventually introduce a system but would give them two years to get ready.

In the February budget brought down by the Minister of Finance they were informed of the nature of federal cuts. The provinces had already made some cuts of their own, and they will continue to do so because we believe that at all levels of government, it is possible to offer the right kind of service without spending as much as we did in the past.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, how does the government expect to be taken

seriously when it says it wants to co-operate with the provinces, when it excluded them from the forum on health, for instance, and the budget's enabling legislation gives them no more than a purely advisory role in defining national standards?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, first of all, I have to say to the Leader of the Opposition that as far as the forum on health is concerned, we said no, we did not want the provinces to be there. Later on, we invited them, but they refused to come.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint-Maurice): Now listen, they persuaded me to invite them, and then the opposition asked me to invite them. I was very nice about it, so I did. Once they were invited, they decided not to come. Do not blame me, I listened to you. Blame them.

As for the remainder of the hon. member's question, if we want to have national standards across the country, which is normal, it is because of manpower mobility in Canada and also because we have a minimum of respect for all members of the Canadian community. We must establish a satisfactory minimum for all Canadians across the country in the areas of health care, social assistance and similar services.

The Speaker: My dear colleagues, may I remind you to address the Chair in your questions and answers?

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the provinces are told: «We do not want you around». It was their understanding that they were not wanted.

How can the Prime Minister talk about flexible federalism when he threatens to cut federal contributions even more if the provinces do not respect national standards for the Canada Social Transfer? In other words, will he have the courage to put his cards on the table at a federal-provincial conference?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we had occasion to discuss that at the different federal-provincial meetings I had with the provinces, along with the Minister of Finance and the Minister of Human Resources Development.

Generally speaking, provinces recognize we have to reduce the cost of these programs. The best way to do that is by collaboration between the provinces and the federal government. We have to reduce our spending.

• (1420)

As I explained earlier, when some provinces including Quebec cut \$500 million in health services in December they were not returning any of that money to us even if we had made a strong contribution to that level of payment.