

ROUTINE PROCEEDINGS

[English]

MOTION TO ADJOURN UNDER S.O. 29

APPLICATION TO ADJOURN—SPEAKER'S RULING

Mr. Speaker: Order, please. The Chair had indicated an intention to rule as soon as possible on the application made under Standing Order 29 by the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). The Chair has examined both the precedents and the modifications that have been made in the rule, as well as the comments that have been made about it. I have concluded that the application meets the terms of Standing Order 29. Since it is finally up to the House, does the Hon. Member have leave to move the adjournment of the House under Standing Order 29 for the purpose of discussing a specific and important matter?

Some Hon. Members: Agreed.

Mr. Speaker: Therefore, leave is granted and debate is set down for three o'clock p.m. this day.

GOVERNMENT ORDERS

[English]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-96, An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977, be read the third time and passed.

Mr. Speaker: Questions and comments on the speech of the Hon. Member for Hamilton Mountain (Mr. Deans)? Debate.

Mr. George Baker (Gander—Twillingate): Mr. Speaker, I want to say a few words concerning Bill C-96 which is in its final, third reading, stage in this chamber. Undoubtedly, the Government majority will ensure its passage at third reading so that it will then become law.

I want to deal with a specific example of the effect that Bill C-96 will have on my Province of Newfoundland. According to the formula contained in this Bill, there will be a cut of \$7.3 million in 1986-87. In 1987-88 there will be a cut of \$15.5 million; a cut of \$24.8 million in 1988-89; a cut of \$35 million in 1989-90; a cut of \$46.3 million in 1990-91; and a cut of \$58.9 million in 1991-92. In that short period between 1986 and 1992 there will be a total cut of \$187.7 million to the provincial treasury of Newfoundland.

Newfoundland is a province which cannot afford to put water systems in communities where, according to the

Federal-Provincial Fiscal Arrangements Act

bacterial counts by the Department of Health, the water in the wells is contaminated and unfit for human consumption. I am amazed that the provincial Government of Newfoundland has not really objected to these cuts. It is not the people or the Province of Newfoundland that has objected, but the Government, and I find it strange that a Government like that in Newfoundland, with its Premier and cabinet Ministers, has not objected to this Bill that cuts \$187.7 million from its treasury between March 31, 1986 and March 31, 1991. That poor starving province cannot afford to do what other provinces do today because it does not have the fiscal manoeuvrability. Yet that Government does not object to these cuts.

I suggest that it is a clear example of straight, pure, unadulterated politics. Our system in this country is such that when there is a political Party of one stripe provincially and the same political Party in office federally, the provincial Government occasionally hesitates to object to policies about which they should object.

I took the trouble to get a copy of the Green Paper on "Health Care System Expenditures and Funding" from the Government of Newfoundland and Labrador. It is dated January, 1986. This Green Paper is referred to in a statement from the Manitoba Government dated June, 1986, which was presented to Members of Parliament yesterday. That statement by the Manitoba Government is called: "Setting priorities straight" and it refers to the Newfoundland Government's Green Paper of which I have a copy.

The Manitoba Government points out that the Newfoundland Government states in its Green Paper of January, 1986 that it faces three alternatives as a result of the Bill before us now. The first is privatization, including premiums, user-fees and extra billing. The second alternative is expenditure cuts and service reductions. The third is deficit financing and tax increases. As the Green Paper stated: "No options are particularly attractive."

That Green Paper was issued by the Government of Newfoundland and Labrador in January, 1986 in anticipation of this Bill presently before the House. I want to state for the record that the federal Government is not cutting health care or post-secondary education funding through this Bill. Those are areas of provincial Government responsibility according to the Constitution of this country.

We have a system whereby the federal Government contributes funds to the provincial treasury so that it can supply the services and supposedly make them equal across the country. The House will know that this money is given in lump sums. While the federal Government designates this as higher education and health care benefits, when it provides a cheque in an amount that is calculated according to the formula of what is needed, there is no guarantee that the money will be spent for higher education or that for which it was intended according to the federal formula.

We are talking about a squeeze on the provincial treasuries that affects the over-all budget of the provincial Governments.