

national psychology is this awareness that we must pay to live as Canadians wish to live.

Atlantic Canadians are doubly aware of this. When we entered Confederation 122 years ago, we gave up some of the prosperity we had enjoyed as a maritime nation dealing more north-south than east-west. Our rich cultural mix, our peaceful lifestyle and our social services safety net were some of the things we got in return.

We know that our unique country does not come cheap, but we do not begrudge these costs because of our commitment to this country. We do not begrudge them if we see a method that benefits our country and our region. There is no method in this madness. There is no sense in this nonsense.

Atlantic Canadians, bloodied by the savage attacks of this Budget, gaze across the miles as I gaze across this Chamber, at their fellow citizens as I gaze at fellow Atlantic Canadians Members of Parliament, and ask, is this really what we want? Is this the kind of fair play we can expect? Is this what it means now in 1989 to be a Canadian?

Mr. Reid: Mr. Speaker, my friend from Halifax has given me the opportunity to comment on something we have not discussed today, but as my friend from Bonavista—Trinity—Conception will attest, it is something we discussed about two weeks ago, the question of transfer payments. If I may quote the Hon. Member back to herself, there is no sense in this nonsense.

The Hon. Member is talking about tornadoes of budgets and the systemic destruction of the infrastructure—

Ms. Clancy: You forgot the juggernaut, Ross. I will teach you how to spell that.

Mr. Reid: I forgot about the juggernaut and the sepulchre I missed entirely.

Ms. Clancy: Whited sepulchre. You can look it up.

Mr. Reid: Okay. If this is the way the Hon. Member will speak to a constituent, there will be a serious communications gap.

Let us talk about transfer payments. If the Hon. Member will excuse me, I will use the Newfoundland example, one with which I am more familiar. The Government of Canada supports the poorer provinces of

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this country as do the richer provinces of this country support the poorer provinces, through a number of ways including cash and tax transfers through the system. It is worked out on a formula and it is something that the provinces, particularly provinces like mine, have come to depend on.

With budgets today approaching \$2.5 billion in the case of Newfoundland and Labrador, the provinces expect from the Government of Canada and from the taxpayers who pay their money to the Government of Canada, \$1,400 million, about 45 per cent of the budget. They get it in three ways. They get it through transfer payments under equalization. They get it through CAP and they get it through EPF. The first two—

Mr. Gauthier: He is making a speech.

Mr. Reid: These are comments, Mr. Speaker. The first two are unaffected and the third one is unaffected this year, but in the case of Newfoundland and Labrador, these cuts that we keep hearing about will mean a reduction in the growth of 1 per cent, and the effect is \$4 million out of \$1.4 billion. That is what will destroy these universities.

There is no sense in this nonsense. If the Hon. Member would like to comment on this, I would love to hear her. Perhaps she could comment on the fact that in the next five years, regional spending will have increased by 35 per cent over the last five years when it increased by 50 per cent over the five years previously. Cuts that go up are cuts that I do not understand. There is no sense in this nonsense.

Ms. Clancy: We understand all too well that the Hon. Member does not understand. Indeed, the Established Programs Financing will sustain a 1 per cent cut per year over the next five years. This is a blow in actual dollars to the universities in Atlantic Canada and indeed, if the Hon. Member for St. John's East (Mr. Reid) had attended my university, he might understand phrases like "whited sepulchre". I know that the Hon. Member for Halifax West (Mr. Crosbie) did, but obviously it did not work.

The dollars that are coming to universities in Atlantic Canada are fewer. The dollars that are coming to hard-pressed universities are insufficient to maintain the high educational and research standards and the traditional services provided by Atlantic Canadians to the rest of the country in providing people who can speak articulately for their region and for their country. If the