

Oral Questions

[Translation]

SOCIAL SECURITY**PAYMENTS TO PROVINCES—REQUEST GUARANTEES BE GIVEN
CONCERNING USE OF FUNDS**

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare. Yesterday, the minister signed an agreement with the provinces on the block funding of social services.

As the Saskatchewan Social Services Minister stated that there is no guarantee that the money will be spent by the provinces on social services and not, for instance, on roads, I ask the minister whether, in addition to the provisions of the agreement requiring that the provinces publish a report on the money paid to the provinces by the federal government, the minister can give this House any guarantee that the money paid to the provinces by virtue of the block funding formula will in fact be spent on social services?

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, I am happy to inform the House of the agreement reached yesterday by the ministers responsible for provincial social services and by the federal government, an agreement which aims at block funding of social services and grants to the provinces all the flexibility and autonomy in what relates to decisions, priorities, resource allocation and so on. Since the provinces have control over that type of decisions, it goes without saying that we agree.

The hon. member's question will certainly surprise his New Democratic Party colleagues as I cannot see how the government of Saskatchewan would fear that funds given to that province for social services might be used for road construction. I think this kind of accusation could lead us to believe that the provinces have no commitment whatsoever towards social services and that consequently the funds will be dilapidated. It means that federal-provincial relationships are not based on trust and therefore, I am not sure I understand the hon. member's question.

The agreement is based on three conditions: one relates to the resident status and provides that Canadians and landed immigrants are eligible for all services, and another to the data concerning future developments in that area. Besides, we will sign an agreement concerning the role the federal government will play in financing services and a mechanism will be established within the next five years which, should a problem arise, would allow me to give notice and end the program.

Mr. Grafftey: It is quite regrettable that the minister does not understand my question since it is of the utmost importance that we know if the money granted by the federal government is actually spent by the provinces on social services. I ask this supplementary question because in the past, for instance, the money granted to the provinces by the Secretary of State in Ottawa for education in the second

[Mr. Lamontagne.]

language was used for entirely different purposes. Let us say that after one year, a province says that the money granted under the agreement signed yesterday was not spent on social services but for other purposes. Could the minister tell the House if other provisions of the agreement that she has signed yesterday with the provinces provide that in addition to provisions related to the needs of the provinces, they have to explain how they have spent that money? What guarantees and what powers does the minister have to correct the situation where money would not be expended for social services?

● (1452)

[English]

Miss Bégin: Mr. Speaker, I repeat, there are three grounds on which payments to the provinces can be withheld. I do not think the best way to start reciprocal agreements is by talking about but not believing in Canada and Canadians. That is certainly not the case on this side of the House. This agreement is an historic one, on several counts. Among other things, it gives—at a very critical time for the economic situation of this country—a five-year guarantee on a ten-year proposal for payments escalated according to population, for the benefit of a very vulnerable sector of this country. The current budget of \$516 million for social services will, in ten years' time, be approximately \$1.9 billion. That is the extent of the federal commitment to social services, Mr. Speaker.

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AGRICULTURE**REQUESTED LOWERING OF IMPORT RESTRICTIONS ON CHEESE**

Mr. R. E. McKinley (Huron-Middlesex): Mr. Speaker, my question is for the Minister of Agriculture. Due to the fact that an announcement should be made shortly on the dairy policy for next year, and also the fact that there will be increased facilities in Canada for the manufacture of specialty cheeses, will the minister confer with his colleague, the Minister of Industry, Trade and Commerce, and have the import restrictions on cheese lowered for the next dairy year by 15 million pounds, as requested by the dairy industry?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we think the quota we have at the present time is realistic. We know that production and consumption of cheese has increased substantially in Canada, especially in the last two years. There are three cheese manufacturers and processors from other parts of the world considering locating in Canada: one in Prince Edward Island, one in Quebec and one in Ontario. Our producers can provide enough for them to produce the high quality special cheeses that these industries intend to produce.

We are quite satisfied that we have adequate controls at the present time to allow our industry to develop. If other entrepreneurs want to take hold of things and go ahead and produce the cheese that we know they have the ability to produce, they can compete with imported products.