

Honourable senators, in terms of the \$7 billion that is being paid out under the Canada Assistance Plan in the fiscal year beginning in March, the payments to Ontario will, we expect, be in the order of \$2.2 billion. That is an increase of about \$100 million to this province. Let me point out that in dollar terms, under the Canada Assistance Plan, the federal contribution to all provinces, which is at \$5.9 billion in the current fiscal year, goes to \$6.2 billion in 1992-93 and to \$6.5 billion in 1993-94, an increase of \$300 million in each of those years.

• (1030)

Finally, because Senator Frith brought it up, I should point out that the federal government, in its Canada Assistance Plan, in its Established Programs Financing, in equalization and other transfers, is transferring to the provinces some \$35 billion, again an increase considerably in excess of the increase in the rate of inflation and considerably in excess of the federal government's own program expenditures.

The record, I would suggest to honourable senators, is a very positive one in those terms, given the strengthened economic circumstances of the country and of the government. We stand by it, and we believe, and the record is there to indicate, that reasonable people responding to the budget, which we will have an opportunity to debate in a few moment's time, have welcomed it as a completely responsible document and very much in keeping with the needs of this country now and in the immediate future.

Hon. Senators: Hear, hear!

Senator Frith: Honourable senators, I assume that this legislation will be referred to the Standing Senate Committee on National Finance. I see Senator Kelly nodding. It is very important and useful that the Leader of the Government has put his government's position on the record so that it can be the subject of inquiry by that committee. We will have a chance to hear from these ungrateful provinces for their point of view.

POINT OF ORDER

Hon. Philippe Deane Gigantès: On a point of order, Mr. Speaker, the Leader of the Government, I feel, has misled the house by this ingenuous use of statistics. He talks of a 5 per cent increase in the amount of money targeted towards welfare recipients, when in Lanark county they have increased 39 percent. He is comparing apples and oranges. He knows that he is comparing apples and oranges. The burden that CAP is supposed to help alleviate for ordinary human beings is targeted at the welfare recipients. The increase should be compared with the percentage increase of those recipients and not with the cost of living, not with the general operations. That is chartered accountants' lack of charity, the coldest charity, and it is misleading the house.

The Hon. the Speaker: Senator Kelly, I wish to inform the Senate that if the Honourable Senator Kelly speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Hon. William M. Kelly: Honourable senators, I move second reading of Bill C-32.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time, on division.

REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

Hon. William M. Kelly: I move that Bill C-32 be referred to the Standing Senate Committee on National Finance.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Gildas L. Molgat (Deputy Leader of the Opposition): Before the motion is adopted, I want to refer honourable senators to the *Rules of the Senate*, page 124, Appendix I. That rule reads as follows:

That, whenever a bill or the subject-matter of a bill is being considered by a committee of the Senate in which, in the opinion of the committee, a province or territory has a special interest, alone or with other provinces or territories, then, as a general policy, the government of that province or territory or such other provinces or territories should, where practicable, be invited by the committee to make written or verbal representations to the committee, and any province or territory that replies in the affirmative should be given reasonable opportunity to do so.

Honourable senators, I cannot think of a better example of a case where provinces have a very specific interest. As my colleague, Senator Frith, just pointed out in his comments, they have reason to object. I think we should make it a particular point to invite the three directly-affected provinces in writing as soon as possible and that the other provinces be notified, because they may have a subsidiary interest in this matter. I would request that this be done at the earliest opportunity to give the provinces an opportunity to be ready for the committee hearings whenever they are held.

Motion agreed to and bill referred to Standing Senate Committee on National Finance.

TRANSPORT AND COMMUNICATIONS

FIFTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the Fifth Report of the Standing Senate Committee on Transport and Communications (Budget—CN Railways), presented in the Senate on 27th February, 1992.

Hon. Finlay MacDonald: Honourable senators, I move adoption of that report.

The Hon. the Speaker: It is moved by the Honourable Senator MacDonald (*Halifax*), seconded by the Honourable