

The hon. member is getting up and he is not focusing on the first sentence that is now what is before this House. He is focusing on the very subject that the—

The Acting Speaker (Mr. Paproski): I was listening very carefully to the hon. member and I was going to call him to relevancy. I was busy talking to another member here at the chair. I appreciate what the hon. member for Surrey North has said and I would appreciate it if the hon. member for Gander—Grand Falls would come to relevancy, please.

Mr. Baker: Mr. Speaker, I was coming to the point that I wanted to make, but I first of all had to make it be known that there is a rumour circulating around here, put forward by the NDP, that the premier of Newfoundland made certain statements which he did not make and which are not on the official record anywhere.

Now, getting to my point. My point is this, Mr. Speaker, and I will be very brief about the point I am about to make. The most important thing in this country is our health care system. The most important thing in this nation that we have to protect is our health care system and provincial governments in this country, especially the poor ones, that is the poor provincial governments that do not have the funding to enable them to provide the same level of health care that we have in some other provinces in this nation, that have to close hospital beds, that are unable to buy the equipment necessary to provide good health care in 1992, having the equipment and being able to put up the heavy cost of operating new equipment.

The provinces find themselves in a position where they are just unable to foot the bill. The very area where this federal government has cut back is in the transfers for those very things.

• (1630)

As the hon. member for Broadview—Greenwood has pointed out on many occasions, they have allowed through our tax system, a decrease in the amount of money that flows to the Government of Canada through our income tax system from very wealthy Canadians and very wealthy corporations in this country. It thereby decreases again the revenues flowing to the provincial governments through our income tax system.

When filling out an income tax form, if you are residing in the province of Newfoundland, you fill out

the form and come to the federal tax payable. Then you take 62 per cent of it and that is what goes to the provincial government.

When there are individuals in this nation who make \$500,000 a year and pay not one penny of income tax as we have under this government, and the numbers are rising, then you know that the revenues to the provinces are drying up.

The Auditor General put it quite simply back in 1987 when he said in his report that members of this Chamber and the Parliament of Canada are always trying to produce a more energy efficient engine and no matter how much they make it energy efficient, they are still finding that the same amount of fuel is being consumed, until they discover tiny holes in the gas tank. The Auditor General called it tax expenditures.

The Government of Canada has done nothing about it. Provinces like Newfoundland have found that through the tax system their revenues have dried up. Their revenues have started to go down. The transfers from the federal government have started to go down. And here they are trying to operate a health care system and hospitals on both those decreases in revenues.

In conclusion, I take strong exception to anybody who makes a statement about the premier of Newfoundland who is trying to do his best, honest as the day is long, day by day trying to run a province on very little money. To have anybody misquote him in a statement before this House, I hope the NDP now will have the honesty to stand up and say that he did not make this statement ever and that they withdraw it from the record of this Chamber.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, in response to my Liberal friend from Gander—Grand Falls, he got rather excited as is his tendency and that is fine. This is the place to get excited when you feel strongly about things. He seemed to suggest that the basis of the motion put forward by the New Democratic Party today was somehow based on falsehoods.

Particularly he mentioned comments that we suggested the premier of Newfoundland had said. Quoting here from *The Ottawa Citizen* of December 30, 1991, the newspaper story was: "Social programs. Wells questions universality", and I quote Premier Clyde Wells of Newfoundland: "We may have to look at the whole principle