

Government Orders

This particular transfer, this \$8 billion transfer is an unconditional grant. It ensures that the quality of services available to Canadians no matter where they live is roughly the same as it is elsewhere with the same level of taxation. You receive it depending on the wealth of the province. If it is less than a certain accepted standard then you get it.

There is a ceiling to ensure that the costs do not go up too dramatically. It is related to the GNP. There is also a floor to ensure that if there are reductions, the provinces will not lose so much money that they will not be able to accommodate. These are positive features that existed in the past and continue to exist.

As I indicated, equalization is to provide a similar standard of service, or quality of life if you wish, with comparable taxation. However, in spite of the increase of this particular unconditional grant, the quality of life still differs significantly from one province to another and from the provinces to the territories. The levels of taxation do vary a great deal as well. While it is an important program—

[*Translation*]

Although this is a key program, the cornerstone, as the hon. member said earlier, it is still not enough to guarantee that the quality of the services to which we are all entitled as Canadians will be the same across this country.

[*English*]

If anyone doubts that, we could look at the quality of lodgings we have throughout the country, the number of independent dwellings and other types of dwellings. We could also look at the availability of services, such as health care, education, ambulance services, fire-fighters and so on. We could also look at the food banks that we have in this country today. They vary a great deal from one area to another which would suggest to me that the quality of life is still significantly different and the number of unemployed varies a great deal also. While this is an important measure to bring about—

[*Translation*]

—a better balance in terms of the quality of life we have in this country, we still have a long way to go. However,

there are positive changes, which I applaud, and I hope the government will continue to look at ways of further developing this potential.

I would like to comment briefly on transfer payments for health and education. If we consider the transfer for health and education I mentioned earlier, this is still the largest share. As I said before, we are talking about \$20 billion, more or less. If I am not mistaken, \$12 billion of this amount consists of tax point transfers—in other words, a transfer of authority to the provinces to increase their taxes. The federal government has withdrawn from certain sectors to allow the provinces to raise taxes themselves, but there is still a total of \$8 billion in cash payments which is quite substantial.

• (1210)

We must remember that since this government came to power, it changed the formula for transfer payments for health and education, and as a result, between 1986 and 1995, for instance, \$30 billion less will be transferred. In other words, there will be about \$20 billion less for health and \$10 billion less for education, especially at the post-secondary level.

Meanwhile, in spite of these Draconian cutbacks, the deficit remains very high, more or less at the same level it has been. The debt has more than doubled. I know that previous governments are responsible to a certain extent, but I think it is unfair to say it was all their fault. What I find particularly sad is that college and university tuition fees have skyrocketed, so that soon students will be unable to continue their education at the post-secondary level.

Student debt has increased tremendously, which will prevent students from continuing their education, if it has not already done so. This is a very serious problem. In addition to these cutbacks, there is also the GST on books and other learning materials. As you know, and I have raised this matter several times in the House, we had the 3 per cent tax on loans for students who need the money to continue their education. The government said that it wanted to remove the tax—soon, I hope—but on the other hand, the government has abolished the six-month period of grace.