We want to be able to pay old age pensions in 2005, 2010 and 2015 because many of us will still be here, although there may not be that many on the other side, and we have to consider the future. As far as pensioners are concerned, they do not have to worry, I made that clear, and old age pensioners will not be

affected, not in November and not in the finance minister's next budget.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, will the Prime Minister admit that at the rate the federal government says it will cut transfers to the provinces, in other words, money used by the provinces for social programs and education, at the rate the federal government plans to cut these expenditures, according to our most accurate estimates—although the criteria have not yet been released, but we tried a series of criteria that seemed likely—we can say that in four years time, if Quebecers say no in the referendum and decide to stay in the federal system, in four years time the federal government will no longer pay a cent in transfer payments for social programs, education and social assistance, and on top of that, under the tax points system, Quebecers would again have to send part of the province's tax revenues to Ottawa to help fund social programs in the other provinces?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, under the present system, there is a decline in the amounts to be spent on transfers to the provinces.

That being said, one of the reasons we decided to proceed with these reforms, and this was explained by the Prime Minister and the Minister of Health, and I said it myself here in this House, was to reverse this trend while maintaining a certain level of money in these transfers. In other words, we intend to freeze these amounts to stop this decline, for reasons we discussed with the provinces, in other words, the federal government firmly intends to remain involved in improving social programs in Canada.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the documents attached to the last federal budget mention that transfers to the provinces will be cut by \$2.5 billion in 1996–97 and \$4.5 billion in 1997–98. In 1997–98, if the federal government distributes the Canada social transfer on the basis of population, as suggested on page 40 of the federal budget speech, Quebec alone will absorb over 40 per cent of the \$4.5 billion in cuts.

Does the Prime Minister not agree that, on the eve of the referendum, he has a duty to stop hiding his intentions from Quebecers by disclosing publicly how the federal government intends to distribute among the provinces the \$4.5 billion in cuts planned for 1997–98, so that Quebecers will know the real impact of federal policies?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Minister of Human Resources Development and I intend to sit down with provincial

Oral Questions

officials to determine how the country and the provinces can restructure their finances.

That said, the hon member has just quoted figures that have been used by other separatists. As I said before in this House, they are basing their arguments on something that is quite preposterous.

• (1125)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, this is a revelation. I did not know that the Minister of Finance was a separatist, as these are his figures.

Does the Prime Minister confirm that, whatever the distribution criteria adopted, in 1997–98 alone, Quebec will be deprived of between \$1.2 billion and \$1.9 billion for the funding of its social programs? The PQ government was not the only one to predict these cuts. His friends in the Liberal Party in Quebec, including his colleague, the current Minister of Labour, said the same thing when they were in power.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as I said before, the hon. member's analysis is quite preposterous. It is quite clear that no decision has been made on distribution. Second, I think that the hon. member should also consider equalization, which is a very important factor.

The hon. member seems unwilling to talk about it, but let me tell you that, in 1996–97 for example, equalization payments to Quebec will amount to \$4 billion or 42 per cent of federal equalization payments to the provinces.

[English]

## DEPARTMENT OF NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Minister of National Defence. The government's record on Somalia is not terribly open, but openly terrible.

This week we have seen evidence that national defence headquarters altered documents. The punishment, it gets to investigate itself. We have evidence that Lieutenant-Colonel Kenward destroyed evidence and obstructed justice. The punishment, he got promoted. We have evidence that Colonel Labbé uttered unlawful commands. His punishment, he has been put in charge of the army staff college to teach leadership.

The minister must have had files on these events. Why did he wait so long before he acted?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member had a distinguished career in the Canadian forces before he entered politics. I am quite surprised and disappointed that he would ask that sort of a question. He talks about openness. The government has no axe to grind. We want the commission into the deployment of the Canadian forces in Somalia to get to the bottom of whatever happened. He