

tion of transfer payments to the Provinces for post-secondary education will meet the objectives already enacted and supported by Parliament, namely accessibility. However, I remind the Hon. Member that the Canadian Constitution does not empower Parliament to directly force upon the Provinces any stiff conditions as to the use that should be made of funds in the educational sector. It is up to the Provinces to define their own priorities.

However, in the context of our negotiations, it is our objective to ensure that the principle of accessibility will be maintained as much as possible.

\* \* \*

[English]

### CANADIAN HERITAGE

#### NEW BRUNSWICK'S BICENTENNIAL CELEBRATIONS

**Mr. Maurice Harquail (Restigouche):** Mr. Speaker, my question is also directed to the Secretary of State. Perhaps it is appropriate on Robbie Burns Day to raise questions of historical value. I am referring to the bicentennial celebrations in the Province of New Brunswick, and to the celebrations in our neighbouring *la belle province* with the tall ships, and the 450th celebration at Gaspé of the arrival of Jacques Cartier. My question relates to the plans of the Secretary of State with regard to the celebrations for the 200th anniversary of New Brunswick. Will he tell the House just exactly what his Department will be doing, specifically with regard to financial contributions?

[Translation]

**Mr. Speaker:** I would ask the Hon. Minister to be brief, if possible.

**Hon. Serge Joyal (Secretary of State):** Of course, Mr. Speaker, we welcomed the New Brunswick Government's request to contribute on a proportionate basis to the financing of their bicentennial celebrations. The Canadian Government will therefore provide \$2.6 million for the celebrations, and I would like to take this opportunity to express my best wishes to the citizens of New Brunswick on the 200th anniversary of the Province to be celebrated during the upcoming months.

[English]

**Mr. Howie:** I thank the Secretary of State for his expression of good will to those of us in New Brunswick.

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● (1450)

### FINANCE

#### FINANCIAL DEFICITS OF ATLANTIC PROVINCES

**Hon. J. Robert Howie (York-Sunbury):** Mr. Speaker, my question is for the Minister of Finance. The Minister will know that the Atlantic Provinces have reached their full revenue

### Oral Questions

potential based upon a slender private sector tax base and heavy reliance on transfer payments from Ottawa. Despite severe restraint measures, the Atlantic Provinces face a three-quarters of a billion dollar shortfall in income this year, with heavy current account deficits, and the implications that go with it. Will the Minister tell the House if the matter was raised at the recent Finance Ministers' meeting, or if it will be raised in subsequent meetings, and what solutions does he propose?

**Hon. Marc Lalonde (Minister of Finance):** Mr. Speaker, the matter was indeed raised at the last meeting with my provincial colleagues in December. More recently, I had the pleasure of meeting with the New Brunswick Minister of Finance on this very issue. It is true that the Atlantic Provinces face serious problems in terms of balancing their books. It may be of small consolation to them to know that I have very serious problems of the same nature. Therefore, we certainly did commiserate.

As to particular solutions, the Hon. Member knows of the large number of transfer payments and transfer programs in operation, beginning with equalization, as well as the programs under the direction of my colleague, the Minister of Regional Industrial Expansion. Also, through revisions of the Gross National Product, we have been able to increase significantly our transfers to the provinces in the areas of health and education this year.

Obviously there are no immediate short-term solutions. Solutions must arise from economic growth all across the country, particularly in the Atlantic Provinces, trying to work out difficulties in the fisheries area. My hon. friend knows of the great work done by the federal Minister of Fisheries in that regard in the last while, as well as in the area of mining, offshore exploration and forestry. We are trying to address these issues in a co-operative way, but obviously we still face very difficult problems.

#### REQUEST THAT MINISTER INITIATE NEW GRANTS PROGRAM

**Hon. J. Robert Howie (York-Sunbury):** Mr. Speaker, I thank the Minister for his answer. Since the desperate financial position can have disastrous repercussions for Canadians living in the Atlantic Provinces, has the Minister considered initiating measures similar to the Atlantic Provinces' adjustment grants until effective new development measures can be initiated to expand the tax base and thus reduce the need for federal assistance?

**Hon. Marc Lalonde (Minister of Finance):** Mr. Speaker, the Minister of Finance for New Brunswick put forward a number of proposals. I promised that I would examine them. Knowing as he does the difficult financial circumstances that the federal Government is in, I obviously cannot indicate to my hon. friend that there are great amounts of money available. We are examining all possible alternatives, taking into account our own situation which, in many respects, is sometimes more