The Government of Quebec has estimated that the cumulative effect of these measures from 1982 to 1994 meant a shortfall for it of $14.3 billion. The federal government's latest budget confirms that this trend will increase.

Federal money transfers in fact represent an increasingly smaller portion of Quebec's revenues. I will give you just one example. In 1983, federal transfers represented almost 29 per cent of Quebec's revenues. In 1994, they represented 20 per cent.

Wood Gundy believes that the cost of the federal government's withdrawal from established programs financing alone, responsible for 28 per cent of provincial deficits in 1993–94, will grow to 60 per cent of them in 1996–97. February's budget simply announced a worsening of the situation.

On the other hand, needs in the areas of post-secondary education and health care are on the rise. The provincial governments are faced with an existential dilemma: cut services or increase their deficit.

The official opposition has no choice but to criticize the government's lack of vision in reducing the deficit accumulated over the years. The government should have put its energies into eliminating useless duplication and overlapping jurisdictions with the provinces.

It should have trimmed the fat off its still cumbersome and ever costly structure. The Liberal government could have cut nearly $3 billion more over three years at the Department of National Defence alone. It failed to do so.

If it had gotten out of areas of provincial jurisdiction, in exchange for equivalent compensation in the form of tax point transfers, it would have created significant savings for both itself and the provinces. It would have meant savings for the federal government of nearly $3 billion in health care, professional training, post-secondary education and all programs relating to human resources development.

If the federal government withdrew from these areas of jurisdication, the Government of Quebec could, among other things, establish a real job creation strategy by tailoring human resources development and job training programs to key sectors of the province's economy.

But the federal government's actions tell a different story. The official opposition feels that this bill will actually impede job creation, because, instead of withdrawing from labour and education, which would permit the provinces to get to the heart of the problem, the federal government's role in these areas is actually reinforced by this bill.

As for Canada's tax system, the federal government still has given no real indication that it was serious about thoroughly revamping it. Some people still have the joy of exploiting tax havens!

Quebecers will soon have to decide which path to take. On the one hand, they have the option of taking their own matters in hand, of being masters of their destiny by founding a country they can call their own, and investing the imagination, creativity and constant quest for excellence that they are well known for in that country.

On the other, they have the option of remaining in a political and economic system that distinctly refuses to acknowledge their existence, of sticking with the status quo, which undoubtedly will lead them nowhere as a people. A stale political and economic regime crumbling under its own debt, deficit and taxes, unable to guarantee its citizens an acceptable standard of living. A political and economic regime which, without a doubt, is doomed to failure.

• (1245)

Sovereignty, admittedly, is not the miracle cure for all of Quebec's woes, but it will give Quebecers the power to pull the political and economic levers which will promote Quebec's growth.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, why is the opposition, through its amendment, asking the government to redo its homework? Because spending cuts are often made in the wrong places or simply mishandled. Let me give you an example. It was decided to eliminate transportation subsidies in eastern Canada. It is understandable that, after several years, this program had to be reviewed.

However, according to Transport Canada documents, the transition fund that will replace these subsidies cannot be used to help shippers or to invest in roads and other transportation infrastructures on a cost-shared basis. There may be interesting projects in the two options offered but what is important in the region affected is to ensure that the money will be used to achieve what should be the real objectives: to direct industrial development and to ensure that the new industrial structure can handle the challenges of the 21st century.

That is why the opposition is submitting a very constructive proposal to the government. The opposition is proposing that this fund—which amounts to $78 million in Quebec, $121 million in New Brunswick, and so on in the other Maritime Provinces—be used not only for the road infrastructure but also to establish a business assistance fund that will help develop the second and third stage processing sector or simply help business adjust to technological changes. It is important to invest in roads but they are only one aspect of industrial development.

If we put all our eggs in the same basket, we will end up with a road network that will have to be maintained over a certain number of years. The government is experiencing difficulties that do not augur well for the future but by investing in business, by establishing a fund from which companies could borrow money that they would have to repay later, the fund could last for