

Federal-Provincial Fiscal Arrangements Act

fiscal year that the federal Government will not live up to its commitments and reduce transfer payments which had been promised and on which the provinces relied to finance their programs.

Mr. Fontaine: First of all, Mr. Speaker, I take the liberty of expressing pride at witnessing the quick transition of the Hon. Member for Laval-des-Rapides (Mr. Garneau) from the back benches to the front row, right next to the Leader of the Official Opposition. I commend him for his performance, but that is about the last congratulations he will hear from me for a while.

I might point out that when he was Quebec Finance Minister, the Hon. Member for Laval-des-Rapides set up various health programs. Well, Mr. Speaker, do you know how much it costs today to keep a patient in a hospital room for one day in the Province of Quebec? As a result of their decisions and the kind of health system we have Quebec, it now costs \$550 per day to have someone in hospital in Quebec. This is a result of the action taken by the Hon. Member for Laval-des-Rapides when he was a member of the team managing Quebec.

Secondly, I will point out, in answer to a question asked by the Hon. Member, that the contributions to transfer payments by the Government of Canada remain at 19.4 per cent of its Budget; there is no reduction. I will also point out that the economic renewal which we launched in September 1984 largely makes up for the sacrifices the provinces are now asked to make because that renewal has allowed the hiring of people. Over 120,000 new jobs have been created in Quebec and these people will pay taxes and provide funds to the Quebec treasury.

This is not what the Liberals were doing. They created unemployment which did not bring in any money. They had to compensate with additional transfer payments.

I will also point out to the Hon. Member for Laval-des-Rapides that Canada-Quebec agreements are still being signed and are very generous where Quebec is concerned.

Mr. Cassidy: Mr. Speaker, I know that our time is limited, but I would ask the Hon. Member for Lévis (Mr. Fontaine) who is perhaps quite concerned about the presence of the Socialist Party in the House of Commons to please respond to several arguments which I put forth in my speech.

He also seems to suggest, Mr. Speaker, that what I said was unfounded. He ignores the statements made by the Quebec Minister of Finance in his Budget speech last Thursday. They were not casual comments made by the Minister of Finance, but in the well-considered part of his speech, he criticized the federal Government for its reduced assistance to educational programs and medicare.

Also the Hon. Member, when criticizing the Socialist Party, apparently ignored the fact that according to polls there are now more people in his region, in Quebec, who support the New Democratic Party than the Progressive Conservative

Party. This is a historical point in time. But I would like to emphasize the fact that we are starting indeed, we are doing our share to defend Quebecers, much better it would seem than the Progressive Conservative Members are doing.

Mr. Speaker, the Hon. Member suggests we are wrong when we say that the deficit is being transferred to the provinces. I quoted from the comments made by the former Finance critic of the Official Opposition, who is now Minister of Finance. Now, does the Hon. Member really believe that his Minister of Finance was wrong when he made those criticisms three or four years ago? Mr. Speaker, I suggest the Hon. Member should think that over. The fact that he has touched on almost every subject under the sun without directly supporting the cuts made in those payments under the established program funding, indicates the Bill cannot be defended.

Mr. Fontaine: Mr. Speaker, the Hon. Member for Ottawa Center (Mr. Cassidy) once more has missed a beautiful opportunity to remain silent. Is the Hon. Member aware, when referring to polls, that the Socialist Party has no Member whatsoever east of the Ontario border? I would advise him to pay attention at the next election. He will realize that the real poll then will probably result in their losing seats.

Now, when the Hon. Member refers to the speech made by the Quebec Finance Minister, I must inform him that I read the speech and it is on page 14 that he is referring to what Mr. Lévesque stated.

Mr. Lévesque, speaking as a politician rather than a manager, had to put the blame on somebody else for increasing the tax burden of Quebecers. That is quite normal. But Mr. Lévesque is still more competent than you are at managing a province. He knows we are at a point in time when belt-tightening is in order. You also should have understood the over-all gist of his Budget, the thrust being to use restraint and recognize the constraints imposed by the current deficit. Those constraints were put in place when you were in bed with the Liberals, when they were in power.

Mr. Deputy Speaker: A brief question by the Hon. Member for Winnipeg North Centre (Mr. Keeper).

Mr. Keeper: Mr. Speaker, the Hon. Member has just said that everybody must share in the sacrifices to reduce the deficit. I should like to know why his Government has reduced the tax rates for the most affluent people in our society? Why have they given the capital gains tax exemption if they really think that everybody has to make sacrifices?

Mr. Fontaine: Mr. Speaker, this socialist Member does not understand that people are in business to make profits. Theoretically speaking, it is because of these people who are in business that you, people of the socialist party, can live without doing anything. It is thanks of them. They are the people who have achieved a standard of living which allows you to earn a living while complaining about what others are doing and saying.