

Federal-Provincial Fiscal Arrangements Act

It is unreasonable for the federal Government to think that provinces which have taken difficult measures to deal with their own financial situation can also be expected to absorb part of the problem at the federal level.

This was a Conservative Member in the Legislative Assembly in New Brunswick. The Minister of Finance of Nova Scotia said the same thing:

Every province in there made it clear that there's probably nothing more important to deliver to Canadians than health and education.

[*Translation*]

And I could quote some people from Manitoba.

Mr. Speaker, all this is a clear indication that the problem today is not just the deficit, as the Minister of Finance (Mr. Wilson) would have us believe and as the Hon. Member for Trois-Rivières (Mr. Vincent) tried to explain. The crux of the problem is the financing of these services. And that is why the motion presented by the Member for the New Democratic Party, a motion I would have presented myself if he had not already done so, this motion would give the federal Government a chance to conduct genuine discussions. These discussions must not be unilateral and must deal with the issues.

The question we must ask ourselves is: Are Canada's post-secondary education services too big? Are we offering Canadian youth too many opportunities for getting a higher education?

Another question we should ask is: Are our hospitals and health services too big for this country? Do we have too many hospital beds? Do we have too many medical services? Are we, in point of fact, offering Canadians too many services? Should we cut back? That is what we should be talking about. And if the answer to these questions is no, as I believe it is, if we listen to the First Ministers, the Ministers of Finance and the Health Ministers of the various provinces, and even the Minister of National Health and Welfare of Canada (Mr. Epp), we realize that these services are not exaggerated and that on the contrary, most of the provinces, in the difficult economic situation this country has known since 1982 and 1983, and especially in those years, made substantial efforts to try and cut costs.

Even the Quebec Government had special legislation passed to lower salaries paid to hospital and education personnel. Is that not a tremendous effort that is done to cope with certain financial difficulties? And on top of all that, the Federal Government is having part of the deficit transferred to the Provinces. But this is not the angle from which this should be considered in my view. Rather, we must ask whether or not our post-secondary services, university research, hospital care, medical care have grown beyond reason. And if the answer is no in those areas, the problem at hand is how to finance such services. It is not to be done as the Minister of Finance is proposing, by cutting off at his own discretion and without consultation, \$2 billion in 1990-91. Much more than that is involved.

If we add up what Bill C-96 will represent at the end of year 1992, that is from the day it applies until the end, an \$8 billion cut will be made from provincial budgets for post-secondary education and health care. Yes, \$8 billion. What does that

mean? For Ontario, \$3 billion. For Quebec, \$2 billion. For British Columbia, \$930 million. For a Province like Newfoundland, \$187 million.

Mr. Speaker, is it possible to think that those Provinces will be in a position to provide those services with that kind of cuts? I suggest to the Minister of Finance he should use . . . The Hon. Member says we never make suggestions. I think the Minister of Finance should use the 6-month period that is proposed in the motion to resume those discussions. All the more so since he himself promised in his economic statement of November 1984 not to tamper with the transfer payments to Provinces in the 1986-87 budget. One more broken promise by this Tory Government. That was a commitment. And when we look at his own published figures for transfer payment cuts in 1986-87, the figure reads zero. And now, instead of that zero, the figure that would be shown for cuts would be above \$300 million. I suggest to the Minister of Finance that he try during that period to come to an agreement with the Provinces on financing established programs. However, the Minister of Finance will tell the Provinces whether the post-secondary educational services are too extensive. He will explain it to the Provinces and to Canadians. He will explain to the people in the waiting rooms of our emergency wards that our hospital services are extravagant. He will explain to the citizens of Ontario that extra-billing for health care should be avoided because that Government has already made that commitment. He will explain that and state at the same time that he is cutting off \$2 billion a year when in fact, for the arrangements under consideration, it is \$8 billion.

Mr. Speaker, I think that there lies the fundamental problem. I will say to the Minister of Finance that in the education and health areas, there are some basic requirements. And when one compares health costs on the basis of our Gross National Product with those in the United States where health services are not nationalized, our percentage of costs on the basis of the Gross National Product is lower than theirs. This would mean that our system is comparatively efficient. Hospitalization as well as health care and post-secondary education are available to the rich and to the poor. If it is true, as evidenced by figures, that our health costs on the basis of our Gross National Product are lower in Canada than in the United States, our problem now is to know how those essential services are to be financed.

If the Minister of Finance has something to suggest, if he now agrees with user fees, even though he and his Party objected to them previously, if he is now against the act of Parliament which prevents the provinces from imposing user fees to their residents on penalty of having their transfer payments reduced, if he is against this law, let him rise and say so and explain his position at a federal-provincial conference. Let him say to the provincial Ministers: You want too much, and, from now on, you will have to ask university students to pay at least one-third or two-thirds of their tuition fees. Let him explain that to the Canadian people. Let him say exactly what he wants, but for the moment, all he is doing is taking away \$8 billion and letting the provinces make up the difference.