

Oral Questions

Will the minister assure municipal governments that there will be no freeze on grants this year or in the future without extensive meaningful consultation to find reasonable solutions that will not simply off-load federal tax burdens on municipal taxpayers?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am sure the hon. member is aware that this cost has increased very dramatically, by 77 per cent in the last six years, from \$238 million in 1986-87 to \$424 million in 1992. During this period there has been little increase in the inventory of federal properties.

The hon. member knows very well that we are going through difficult times. We have to constrain expenditures across the board. What has been done here is a freeze. We are attempting to work out a way in which we can put in place a better regime so that the grants in lieu of taxes will be distributed in a fair and equitable way. Those discussions are ongoing at the present time.

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ABORIGINAL AFFAIRS

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the same minister.

Earlier this year the federal government cut 10 per cent of the funding to a number of organizations including the Indian and Métis friendship centres. Last week the provincial government in Manitoba cut provincial funding completely to many of these same organizations.

At the end of this month friendship centres, crisis centres and poverty organizations are closing their doors, laying off staff or eliminating programs.

• (1450)

Will the Minister of Finance recognize that at this time of high unemployment and the resulting family problems these organizations must be kept going? What good news does he have for these organizations?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, if the hon. member had a chance to read the budget that was brought down by the province of Saskatchewan last week he would find out that provincial governments are facing the same difficulties as federal governments.

As a matter of fact if he looks at what the Government of Saskatchewan had to do, it has reduced its transfers to hospitals, to school-boards and to rural and urban municipalities anywhere from 3 per cent to 8 per cent, an actual reduction.

While we will try to provide some latitude and flexibility on this particular issue, we still have a very major challenge in reducing our fiscal deficit. We not only have a challenge to reduce it. We have a challenge to bring it down to zero. I hope I can call upon the hon. member for co-operation in that regard.

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FEED FREIGHT ASSISTANCE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Agriculture and refers to one of the spending cuts.

Atlantic Canadian farmers accepted the 10 per cent cut in the Feed Freight Assistance Program. However they still want a fairer form of applying the reduction in a way that maintains the principle of the Feed Freight Assistance Act.

Has the minister accepted the plan by the Atlantic Canada Farmers Council, or does he have another proposal that will maintain the principle of the act?

Hon. Charles Mayer (Minister of Agriculture): Mr. Speaker, I thank the member for his interest in this matter. I have to say that when I was given this job some three months ago he was one of the first members to contact me on this issue.

We have had ongoing discussions with the provinces affected as well as with the interest groups affected. We are trying to reach a solution that takes into account the principles he outlines from the Atlantic Farmers Council as well as all other individuals involved. I want to let the member know we are going to have to reach a solution pretty quickly. When we do we will do our very best to take the considerations he raises on behalf of his constituents into the over-all decision we make.

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ABORIGINAL AFFAIRS

Mr. Jack Iyerak Anawak (Nunatsiaq):

[*Editor's Note: Member spoke in Inuktitut.*]