

*Oral Questions*[*Translation*]

**Mr. Alfonso Gagliano (Saint-Léonard):** Mr. Speaker, my question is directed to the Minister of Finance. Hospitals and emergency wards are overflowing, patients have to sleep in corridors, and waiting lists are becoming alarmingly long in Quebec. The Minister of Finance, and this includes last night's Budget, has cut \$5.7 billion from payments to Quebec for health services and \$2.3 billion for education. Before letting the provinces shoulder the responsibilities he has as Minister of Finance of Canada, has the minister considered the patients who have to sleep in hospital corridors, the students who will not be able to continue their studies and those who will keep going into debt in order to go to university?

[*English*]

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, those figures are gross exaggerations, unless they came through incorrectly on the translation.

I would say to my hon. friend that I am sure he recalls over the past couple of years, from time to time, the provinces unanimously saying to this government that they wanted interest rates down. Getting the federal government deficit down will help us get interest rates down. If the provinces want to address this problem of high interest rates, they have to be a part of the solution, and part of that solution is getting the federal deficit down.

**Mr. Alfonso Gagliano (Saint-Léonard):** Mr. Speaker, the Minister of Finance does not resolve the problem. He is reducing the federal budget and increasing the provincial budget, so interest rates will continue to go higher.

[*Translation*]

Mr. Speaker, why should Quebecers have to pay an extra \$2 billion in taxes, according to last night's Budget, in addition to the GST that will come into force on January 1, 1991? He said there were no new taxes. Did he forget the GST?

[*English*]

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I still have a hard time with the arithmetic of my hon. friend.

The total savings from the change in transfer payments amount to some \$600 or \$700 million. How is it that the

province of Quebec is going to be affected to the extent of \$2 billion? It does not add up.

**Mr. Dave Dingwall (Cape Breton—East Richmond):** Mr. Speaker, my question is for the Minister of Finance. The minister will know that the situation in the health care field is of particular importance not only to the provinces but to caregivers in the system and of course to the patients who utilize the particular system.

In British Columbia where the health system is strained, 200 heart surgery patients are being diverted to Seattle, Washington.

Could the minister explain how cutting \$800 million for health and education in British Columbia will enhance the health care system in British Columbia? Or, is the minister really saying but afraid to tell Canadians that these cut-backs are the beginning of the privatization of medicare in Canada?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, my hon. friend still does not understand the message of the budget. The budget takes the steps which continue the programs we have been following over the last five years that will allow us to preserve medicare, that will allow us to preserve a strong education system, and that will help us to preserve strong regional development.

If we continue as my friends across the way would have us do to ignore the deficit problem, just shove it aside and say "let's forget about deficits", we are going to see not just 35 cents of every revenue dollar being used to pay for the interest on the debt, but that is going to go up to 40 cents and then 50 cents. Where is that going to leave medicare? Where is that going to leave post-secondary education? That is a danger of debt. That is a danger that we are trying to avoid with this budget.

I am sure I am not going to live long enough to hear one suggestion from the Liberal members opposite as to how we can cut government spending.

**Mr. Dave Dingwall (Cape Breton—East Richmond):** Mr. Speaker, the Minister of Finance has not denied that this is a real attempt to privatize medicare in Canada. It is very clear.

The Minister of National Health and Welfare stated on April 7, 1989, and I quote: