

Government Orders

foundations so that they can actually go out and raise money.

In the case of the Cross Memorial Hospital it costs over \$1 million just to keep up with the equipment needed to provide the kind of care people in my riding, and I am sure in rural areas, deserve and need and certainly should be used to without having to do these things. That is certainly one of my concerns.

I would like to ask my hon. colleague from Egmont if that particular experience has been witnessed by him and his constituents as well?

Mr. McGuire: Madam Speaker, I want to thank my colleague for the question.

The result of the transfer payment cuts to Prince Edward Island, is the same as in Newfoundland. We only have one university, a community college, two major hospitals and a number of smaller hospitals. As my colleague stated a lot of the care in these hospitals is extended care because of the aging population.

With the bad news that the provincial government received at the end of the fiscal year, we are going to lose \$13.6 million which was supposed to go to education and hospitals is no longer there. They were counting on it and all of a sudden, poof, it was gone. They are now forced to borrow to maintain the level of services of last year.

The other point is that as far as our universities are concerned, we are coming into a world where everyone tells us that we have to compete on a global basis. The only way to compete on a global basis is to have a population trained and prepared to work in a global atmosphere. At the same time we are making it more difficult for our students to prepare themselves in order to enter into the global marketplace and help Canada take its place there.

What the government is doing is actually counter-productive. The government is telling us what we have to do but it is making it as difficult as possible to prevent us from doing so.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I also have a question for the member for Egmont. I wonder if he would comment on the three cuts to the transfers to provinces made by the former Liberal government when it was in power. You will remember that the end of block funding in 1977 constituted a reduction in federal funding to the provinces and the removal of the revenue guarantee in 1982 did

something like take \$6 billion over five years out of the province's funding from the federal government. You will remember, too, the six and five restraints in 1983 which took almost half a billion dollars away from the provinces for post-secondary education.

I wonder if he would like to indicate why when the Liberal government makes cuts to EPF it is acceptable, but when the Conservative government makes cuts in the same area it is not acceptable.

Mr. McGuire: Madam Speaker, it must really be consoling for the New Democratic Party because they have never been in government and the prospects of ever being in government are almost nil—

An hon. member: Hear, hear. Well done!

Mr. McGuire: —with their righteous indignation and picking away at everything.

I want to give an example. In Prince Edward Island when the present provincial government took over from the Conservative government in 1986, it was running a deficit of \$30 million a year. It was able to take that \$30 million deficit to almost a zero situation, a balanced budget situation.

The point is, it was able to do it, unlike the people across the way, and retain its popularity. The popularity of the present government of Joe Ghiz in Prince Edward Island is running at something like 72 per cent, as compared to 17 per cent for the government across the way.

I would like to address it, rather than the NDP, because it is really not coming from anywhere since it has not been anywhere.

Mr. René Soetens (Ontario): Madam Speaker, I found it rather interesting to hear the comments about how successful Prince Edward Island had been in almost balancing its budget since the Liberal government came into place there. Similarly, that seems to be happening in Ontario.

To go back to Prince Edward Island, my constituents in Ontario continuously ask me: "Where does all this money that we, the taxpayers of Ontario, pay go to?" I would like to ask the member from Prince Edward Island, just how many dollars it got from the federal government last year so that it was able to almost balance its budget, compared to what it got previously? What percentage increase did it get? What percentage of increase in spending did it get? Did it balance its budget because the federal government and the taxpayers of my