

spending on transfer payments will represent about 19.4 per cent of the total Budget. There is no reduction in this Government's spending on transfer payments. The Hon. Member might have added that to date, we have signed an impressive number of agreements with Quebec, including agreements on development of the tourist industry, those were signed and you didn't mention them, agreements on science and technology, those were signed and you didn't mention them either, agreements on regional development, those have been signed and you didn't mention them, agreements on forestry, signed again and not mentioned by the Hon. Member. There is an agreement on agriculture about to be signed, and it soon will be, according to a statement made last Thursday in the House by the Minister of Agriculture (Mr. Wise). It is now with the Quebec Minister of Agriculture, Mr. Pagé, and apparently will soon be finalized. These are some of the things that should have been mentioned by the Hon. Member opposite.

The Hon. Member also implied that our Government was passing on its deficit to the provinces. That is certainly a misleading way of putting it in the House, Mr. Speaker, because we have been reducing the deficit by... take some notes, they will come in handy when you write a book before leaving politics—

• (1200)

Seventy-five per cent of the deficit reduction proposed to Canadians will come out of reducing the Government's present expenditures, and 25 per cent out of tax increases. Since we have a deficit of \$240 billion, I think it is only fair to ask all Canadians—and that is something you have never understood either—to tighten their belts in order to put our country back on the road to prosperity.

And speaking of this country... to ensure their political survival, the Liberals who formed the previous Government were always very fond of thinking up new social programs—in fact, you were in bed with them many times... in order to win the votes of Canadian men and women. Today, that is over with. No more borrowing to pander to the voters and mortgage our country's political aspirations. Those days are over.

We now have to fight to reduce our \$240 billion deficit and you object to this fight against the deficit. You object to the fact that the Government is asking us, Canadians, to make a few sacrifices. When I hear you, I wonder if you are a true Canadian. Where do you think that the Canadian Government will find the money to live according to our means, to reduce our deficit and to stop letting our children and grandchildren pay for what we are spending today and for the mismanagement of the Liberals who were here before us?

Mr. Speaker, the comments made today by the spokesman of the New Democratic Party are unfounded, and in reply to his questions, I can assure him that the representative of Lévis is 100 per cent behind the policy of his Government because my own policy is based on the economic facts. A country cannot keep borrowing to pay for its day-to-day operations, but this has

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never been understood by your party either. Canada must develop structures to promote economic recovery, which has already begun, so that there will be more Canadian contractors and businessmen hiring more people. In this way, we shall be able to sell our products abroad. This is why we are working at the same time on our negotiations with the United States. These are matters that the Hon. Member should appreciate and understand before he tries to speak in this House.

In closing, Mr. Speaker, I would like to say that we are going to defend this Bill and that it will pass. I would like to ask the Members of the Opposition to stop their biased comments and to show that they understand the economic facts so that our Bill may receive quick passage.

Mr. Deputy Speaker: Questions or comments. The Hon. Member for Laval-des-Rapides (Mr. Garneau).

Mr. Garneau: Mr. Speaker, I am glad that a Conservative Member has been able to take part in this debate and to speak about Bill C-96 not only to the Members of this House, but also, through television, to the entire Canadian population, especially to say what he has just said. If I have understood him correctly, in the context of this debate, the reason for the deficit is that the previous Government spent too much for post-secondary education, medicare and hospital insurance since these are the issues with which this Bill deals.

Mr. Speaker, when we look at this Bill, we find that it amends before it should an agreement signed by the provinces and the federal Government following lengthy discussions to change the way things were done between 1977 and 1982. This Bill re-opens an old discussion but despite what has been said several times, the 6 and 5 program had a very specific objective and it did not affect social programs, medicare or hospital insurance. However, in this Bill, the rules are being changed in the middle or near the end of the game since there was still one year remaining before the expiry date of the 1982-87 federal-provincial agreements, and the provinces will lose \$317 million.

Here is my question to the Hon. Member for Lévis (Mr. Fontaine): If he were a provincial Government Minister and that half way through his fiscal year he were to receive from the federal Minister of Finance (Mr. Wilson) a note to the effect that for the next year alone Quebec would get \$82 million less for those projects—\$114 million in the case of Ontario—would he reduce hospital services, or would he increase university tuition fees? Would he reduce health care provided under health insurance? What would he advocate, and what would he tell those people, knowing as we do that hospital emergency rooms are overcrowded and that patients have to wait for months before being hospitalized? We know as well that post-secondary educational institutions are very hard pressed as a result of huge cutbacks made over the past few years.

I would like to know what the Hon. Member for Lévis would recommend to the provincial Education or Finance Ministers to balance their budgets after learning half way through their