

Federal-Provincial Fiscal Arrangements Act

Farm Credit Corporation. They didn't do anything, Mr. Speaker.

In light of that, do you really believe that the Canadian people will trust what the Liberal Party and the NDP are telling us today?

Mr. Speaker, I think that they got to be kidding. Yet, they were in power for 20 years and they were so blatantly arrogant that they decided on everything unilaterally.

This is why they cannot understand that today we had at least six meetings with the provinces, with the Ministers of Finance of each province, precisely to discuss the economic situation, to talk about transfer payments, and to tell them: Considering the two very specific parameters which the Minister of Finance (Mr. Wilson) and the Minister of State (Finance) (Mrs. McDougall) simply had to keep in mind—deficit reduction and fair redistribution to the provinces—we had to explain to the ten Canadian provinces that we had to slow down the rate of increase. Mr. Speaker, the Opposition equates slowing down the rate of increase with cutting down, but to the Progressive Conservative Government it means continuing to give more.

On a proportional basis we can see that when the Liberals were in office the transfer payments to the provinces increased by 7 or 8 per cent each year when the inflation rate ranged from 12 to 15 per cent. In 1986 our transfer payments to the provinces go up 5 per cent, which is 2 per cent more than any other increase allowed, and the average rate of inflation is about 4.5 per cent.

Mr. Speaker, in terms of purchasing power, inflation rate and transfer payments, I think that Canadians will realize that the Progressive Conservative Government is more generous than the Liberals ever were.

And their arrogance, Mr. Speaker—to get back to what I was saying about the Hon. Member for York Centre (Mr. Kaplan)—was such that I can understand why, in an editorial in *Le Devoir*, Solange Chaput Rolland would talk about the Liberals, seething with anger. If I may, Mr. Speaker, I would like to quote one sentence which shows just how arrogant the Liberals could be.

Hurt by the insults received and thrown across the floor of the National Assembly during the referendum debate which your ex-colleague Jean Chrétien proudly claims to have won almost single-handedly, I had referred to the "fraternal rent" between *Péquistes* and Quebec Liberals. But we Quebec nationalists enamoured of Canada did not forget that, since 1976, the worst foes were not the friends of Mr. Lévesques but those of Mr. Trudeau.

Mr. Speaker, this is the opinion that Quebecers and Canadians in general have of the Liberals. They believe that the Liberals did not respect the provinces in recent years. The previous Government never tried to sit down with the provinces to negotiate, to look at economic facts and to discuss the future of our young people in relation with post-secondary education or to speak about health programs.

Mr. Speaker, I cannot understand how the Liberal Members who were part of the former Government could tell our

Quebec Premier, Mr. Bourassa, that he is a hot dog eater. I cannot accept this. It is an insult for Quebec and it is certainly not the little meeting that was held last weekend in Saint-Hyacinthe that can make us forget their 20 disastrous years in Quebec. I can assure you, Mr. Speaker, that Quebecers will still remember at the next federal election. You can count on us to remind them.

We have to face the facts. I can see the Hon. Member for Outremont who has come to hear what I have to say about the Liberal Party. I would like to tell you, Mr. Speaker, that we have to face the facts and that this includes a deficit of \$200 billion.

Yet, contrary to what the Liberals and New Democrats are saying, Bill C-96 is first of all a progressive bill which aims at preserving transfer payments to the provinces in the short, medium and long term. Mr. Speaker, this is important because we have to treat all the provinces fairly. However, we must not exert excessive pressure on the budget of the Minister of Finance (Mr. Wilson). It is no secret, Mr. Speaker, that the Progressive Conservative Government has been able to reduce the deficit in its first two budgets. This was an electoral promise. I do not understand why the Members opposite say that we do not keep our election promises. We said in 1984 that we would reduce the deficit left to us by the Liberals. We said that we would provide a healthy administration of the public Treasury. The Members opposite are shocked by an amount of about \$820,000, or let us say \$1 million. They are shocked about \$1 million and try to make the Canadian public forget that they are responsible for \$200 billion.

Mr. Speaker, I feel the Hon. Member for Sainte-Marie (Mr. Malépart) and the Hon. Member for Outremont (Mrs. Pépin) who has just dealt with Bill C-96, must be laughing at the Canadian people, at the taxpayers and the most needy when they say that this Government is not giving a break to women, that it is harsh on senior citizens and callous toward our young people. Mr. Speaker, when we examine the economic record of the previous Government, we realize that they do not know what they are talking about. If they were still in power, we would be faced this year with a \$39 billion deficit. They would be responsible now for a global deficit of between \$230 and \$240 billion, and something is sure, Mr. Speaker: They would not have addressed the problems. When we came to power in 1984, we said that we would put the economy back on track, give back to Canadians a taste for life and respect each of the ten provinces, including their respective duly elected Governments. And that is what we have done since September 4, 1984, Mr. Speaker. We have had six Finance Minister conferences on the subject of transfer payments. We have held constitutional meetings. We have shown a certain open-mindedness concerning the patriation of the Constitution and Quebec's is joining the other Canadian provinces. We have had discussions with each province when the time came to make our transfer payments, because we wanted to see where we were going. We have discussed free trade with the provinces. Yet, Mr. Speaker, Liberal and NPD Members cannot