

Federal-Provincial Fiscal Arrangements Act

The Hon. Member for Ottawa Centre is not in a position to advise either me or my Conservative colleagues on the Quebec situation. As a matter of fact, he should have listened to the message which Canadians from Quebec and all the other provinces east of Ontario have sent to this socialist party of his, namely, that they do not care about socialism.

This being said, I am pleased to deal with Bill C-96, an Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contribution Act, 1977.

As you know, Mr. Speaker, when these arrangements were made, Canada was faced with sky-high inflation rates. At the time, the increases in the federal Government financial contributions to the provinces' established programs were based on rates which were below the sky-high inflation rates of the time. Today, we are indeed proposing a reduction of the growth rate of our additional contributions to the established programs, and we say that our contributions will always be at least superior or equal to the inflation rates, something which did not exist before.

Our Government's contributions will continue to increase, so that over the next five years, our Government will contribute some \$90 billion in Established Programs Financing. That is \$25 billion more than in the past five years. So let my colleague enquire before he suggests that Quebec will be disadvantaged because of this Government's action.

Since the Hon. Member for Ottawa Centre suggested that we were not delivering what we had promised to the Canadian people during the summer of 1984, I have to tell him that he should know that we are indeed carrying out that message and that we have already had a number of very concrete achievements.

Our message developed along three major lines. Firstly, there was the reconciliation of the various provinces, and we were proud, Mr. Speaker, to sign the Eastern Accord on energy, the Western Accord. And never in the past 20 years, Mr. Speaker, have the relationships between my home Province of Quebec and the government in Ottawa been brighter.

So that is one of the aspects of our message. I can easily understand that the Hon. Member for Ottawa Centre may resent the fact that we are on excellent terms with the Government of the Province of Quebec. You have always banked on a gap between Quebec and Ottawa, but we Conservatives removed that atmosphere of tension and distance.

I would advise my hon. colleague for Ottawa Centre to try and find out about the aspirations of Quebecers and their desire to belong and to participate in the Canadian Confederation.

We also had another theme, Mr. Speaker, which we discussed during the election campaign, and that was our

economic recovery. Since we were elected in September 1984, unemployment has gone down significantly.

More than half a million new jobs have been created, and this government did not do it the way the Liberals used to in their days, by implementing ad hoc programs in order to create temporary employment followed by unemployment. We developed a context that allowed businessmen... You will never understand what businessmen are, and I am talking to the Socialist Party, you will never understand that because you are the parasites of the Conservative as well as the Liberal party depending on how it suits you, parasites of the workers because you live off their contributions. So you will never know what a businessman is, a person who can handle the capital and the management of a business, you will never understand that. Businessmen, Mr. Speaker, did get our message and decided to invest, and Mr. Bullock, the Chairman of the Canadian Federation of Independent Business, recently stated that there had been an increase of more than 20 per cent in recovery and investment intentions since we took office. This is a true fact that my socialists colleagues should also take note of.

In the package we were offering to the Canadian people, we also said that we were updating our trade relationships with the United States, and you know that the United States trust our sincerity, but they are afraid of our relationships and it was indeed very difficult to get the U.S. Congress to agree to the so-called fast lane for the bilateral trade talks with the United States. Now, the reason they took a very hard line... The Hon. Member for Ottawa Centre (Mr. Cassidy) could listen to me, he might learn something and he certainly needs to.

An Hon. Member: He is only interested in television.

Mr. Fontaine: Now, the trade talks with the United States are under way, and those talks will in the first place have a grandfathering effect, as you very well know that 80 per cent of the trade with the United States is unhampered by customs barriers. You should also know that out of a total of \$165 billion of goods sold out of Canada, 80 per cent are sold to the United States. This is why it is vital for us, firstly, to preserve our access to that market and, secondly, to enlarge that access to the American market and open up a potential market of 240 million customers to our producers and manufacturers. This also, Mr. Speaker, is what we are delivering to our people. Instead of putting questions to the Conservatives across the aisle, you should do your homework and stop contradicting other people, and that means the people in your own party as well. In fact, that is why you won't have any leadership candidates left in a few months. Well, Mr. Speaker, these were just a few comments I wanted to make to my Socialist colleagues.

Mr. Speaker, my colleague opposite said that the proposed changes would reduce the federal Government's contribution to education from 40 per cent to 36 per cent. What the Hon. Socialist Member should have said is that this Government's