

Unfortunately world growth was a lot slower than that and as a result we had growth of something in the range of 1 per cent. As a result there was the fall-off in revenue of some \$8 billion or more and that will project into the upcoming year as well.

It was for that reason I issued the statement in December. The budget that I am putting together now will be based upon the December statement as well as many of the initiatives that we undertook and advanced in the February 1992 budget.

[*Translation*]

**Hon. Lucien Bouchard (Lac-Saint-Jean):** Mr. Speaker, this kind of verbal manoeuvring will not sound reassuring to the financial markets and is an even better indication of the reasons for the government's reluctance to bring down a budget that will reveal the extent of the damage.

The provinces were the first to suffer because of the government's failure to act. For the past eight years they have lost nearly \$10 billion to cuts in transfer payments.

I want to ask the minister whether he can give the House the assurance that in the next budget he will not further aggravate the serious financial problems of the provinces by offloading an additional fiscal burden.

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, contrary to what the hon. member has just said, and this is a very important point, there have been no cuts in transfer payments to the provinces. These payments have been increased by an average 6 per cent annually for the past nine years, and meanwhile, we are keeping government expenditures at 4 per cent below the rate of inflation. I know of one instance where restrictions and cuts were introduced unexpectedly and where this led to the rejection of collective agreements previously signed on behalf of public servants. This happened in 1981-82, at the behest of the Government of Quebec, and I believe the hon. member was one of the players in this sequence of events.

[*English*]

### *Oral Questions*

#### **CORRECTIONAL SERVICES CANADA**

**Mr. Bill Casey (Cumberland—Colchester):** Mr. Speaker, my question is for the Solicitor General and refers to the facility for federally sentenced women in Truro, Nova Scotia.

Correctional Services Canada has been negotiating with the provinces of Nova Scotia, New Brunswick and P.E.I. to have them join in the project because they do not have facilities for their sentenced women.

Have we offered the provinces the best deal and are we making any progress toward accomplishing the goal?

**Hon. Doug Lewis (Solicitor General of Canada):** Mr. Speaker, I welcome my hon. friend's continuing interest in this facility.

Yes, we are discussing the matter with the provinces but whether we have offered them the best deal, I would not want to comment on that.

We want to provide facilities for women and we are perfectly willing to accommodate provincially sentenced women within the facility if it makes sense for both sides.

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• (1500)

#### **EDUCATION**

**Mr. J. W. Bud Bird (Fredericton—York—Sunbury):** Mr. Speaker, I have a question for the Secretary of State.

For several months now the government has been considering reforms to the student loans program. As we approach the end of another university year, students across Canada are concerned about the changes which may be coming about, for example, whether loan limits will be enhanced to recognize cost increases that have occurred since they were established in 1984, whether part-time loans to part-time students will be available perhaps on a matching basis, whether there will be provisions for interest relief in the event of unemployment and whether or not the 3 per cent administration charge will be eliminated.