

are measures which the government believes—and I certainly agree—are necessary. The alternative is to increase the deficit or increase taxes which, as a matter of general fiscal policy, this government is not prepared to do.

Further, I think it proper that the burden of budgetary restraint be shared more among the levels of government. It is an unfortunate aspect of our confederal system that, if the federal and provincial governments take conflicting tacks on fiscal policy, the best laid fiscal plans will come to naught. In my own province, I am looking at the average 10 per cent growth in expenditures by the previous provincial government during its term and the unprecedented budgetary deficit incurred by the current government.

I point out that during the years since 1984-85, federal program spending has been held to an average of 3.7 per cent each year. During the same period, federal transfers to provinces were growing at almost 6 per cent per year. I suggest that this clearly indicates an unequal spread of the burden of budgetary restraint and deficit reduction. Even with the measures contained in Bills C-20 and C-32 in place, federal transfer payments will still increase at an annual rate greater than projected federal program spending.

Aside from controlling federal budgetary expenditures, the measures implemented through Bill C-20 will impose another discipline on the provinces to get their own houses in order. I am encouraged in this regard by recent statements by the Ontario Treasurer and Minister of Health who see considerable savings being realized through more efficient and effective delivery of health care and social programs. It is unfortunate, however, that this realization has come about due to economic and fiscal pressures and not due to a continuing and routine quest for better and more efficient management.

It is instructive to note, however, that major federal transfers to Ontario will increase from \$9.37 billion in 1990-91 to \$9.59 billion in 1991-92, and to approximately \$9.8 billion in 1992-93, even after factoring in the measures included in both Bill C-20 and Bill C-32.

Honourable senators, as I stated at the outset, Bill C-20 is an omnibus bill. It groups together amendments to three quite separate and distinct statutes. I add, parenthetically, that the amendments to the Canada Assistance Act contemplated by Bill C-32 would have also been part of Bill C-20 had the substance of its predecessor—Bill C-65—not been the subject of a constitutional challenge. That challenge has since been decided in the federal Government's favour by the Supreme Court of Canada.

I understand that some of my colleagues opposite, who have far more experience with parliamentary procedure than I do, may have some difficulty with the "omnibus" approach. I can only draw their attention to several rulings by the Speaker in the other place. As I understand it, these rulings establish that an omnibus bill, even though it seeks to amend or even create disparate statutes, is proper if those amendments have a common purpose or theme. I submit that the amendments proposed by Bill C-20 are a "package" and have a common

[Senator Kelly]

theme or principle—that of budgetary restraint. They were certainly announced as part of a package in the last budget. As such, they qualify, in my opinion, for inclusion in an omnibus bill.

I also understand that there are several precedents for the inclusion of budgetary restraint measures applying to several statutes in one omnibus bill: the Government Expenditures Restraint Act passed by Parliament in 1976; Bill C-69, which I have already referred to several times in my remarks and which was passed by Parliament on February 1, 1991; and—although I hesitate to mention it—the bill to implement the Canada-U.S. Free Trade Agreement which, incidentally, amended 27 statutes.

Honourable senators, we are approaching the time for the Minister of Finance's budget statement for 1992. I suggest, therefore, that we clear the decks of outstanding measures from the 1991 budget statement, especially given the importance of these measures to the Government's overall budgetary management objectives and fiscal policy.

Honourable senators, that concludes my remarks and I commend Bill C-20 to the Senate's consideration.

On motion of Honourable Senator Molgat, for Senator Hébert, debate adjourned.

BUSINESS OF THE SENATE

Hon. John Lynch-Staunton (Deputy Leader of the Government): Honourable senators, it has been agreed that Orders Nos. 3, 5, 6 and 7 should be considered together as a package. They are the four financial institution bills which have been travelling together and they should be considered as a block for purposes of debate at this stage.

Hon. Gildas L. Molgat (Deputy Leader of the Opposition): Honourable senators, I have had some discussion on this matter with Senator Kirby, the deputy chairman of the committee. He has also been in discussion with Senator Poitras, and we have agreed to consider the four bills together. I believe Senator Kirby also wishes to speak on the matter.

[Translation]

COOPERATIVE CREDIT ASSOCIATIONS ACT TRUST AND LOAN COMPANIES ACT BANK ACT INSURANCE COMPANIES ACT

SECOND READING

Hon. Jean-Marie Poitras moved that Bill C-34 to revise and amend the law governing cooperative credit associations and to provide for related and consequential matters, Bill C-4 to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters, Bill C-19 respecting banks and banking and Bill C-28 respecting insurance companies and fraternal benefit societies be read the second time.