## Federal-Provincial Fiscal Arrangements Act

exploration generates some 30,000 jobs, then that province is probably looking at the loss of 100,000 jobs. People who are not working do not pay taxes. So provinces such as Alberta will face special hardships during the next couple of years.

I am interested to know if the Hon. Member who has spoken in favour of Bill C-96 feels that it is fair to provinces such as Alberta to suffer a 7 per cent reduction in the EPF from the federal Government during the next three or four years?

Mr. Dorin: Mr. Speaker, I know I have but a few minutes in which to respond to the Hon. Member's question. First, I take exception with the 7 per cent reduction figure which the Hon. Member has put forward. In fact, there is no reduction at all.

I am glad the Hon. Member has raised the issue of the very serious economic problems we face in the Province of Alberta, because they are serious. People are losing their jobs and their homes. I am glad to know that when we bring forward measures to try to deal with those problems, he will be supportive of our efforts.

The Hon. Member mentioned the question of banks and bank bail-outs. I would like to remind the Hon. Member that it was not the banks that were bailed out—they are long gone. It is the people who were reimbursed, the depositors of those banks who, for the most part, were municipalities, hospital boards, credit unions, people who if they had not been reimbursed would have had to go bankrupt themselves. That would have put more people out of work. Other sources of revenue would have had to be found to replace those revenues. Property taxes and other taxes would have had to be raised.

I know the Hon. Member will recognize that the federal Government took its responsibility seriously at a time when the economic recovery in Alberta was critical. It was felt that a blow of \$1 billion to the economy simply could not have been withstood. That points out that in order to maintain any ability on the part of the federal Government to respond to fiscal situations, situations of economic disasters or crop failures, it must maintain an element of fiscal soundness in order to have the ability to respond. If we reach a point at which we no longer have the ability to use our revenue base, either to respond to serious economic problems or to serious social problems such as health care, education, research and development, then that would be a situation we would not want to leave to our followers.

I believe it is important for the Government to take these measures now to prevent that from happening. That is why this Bill has been brought forward. I believe I have made my case, and I do not have to repeat it.

Mr. Keith Penner (Cochrane—Superior): Mr. Speaker, let me begin by saying to the Hon. Member for Edmonton West (Mr. Dorin) that if he thinks we are debating tonight some sort of anti-deficit measure, then he has failed to comprehend the nature of Bill C-96. In no way is this Bill an anti-deficit measure. That has been pointed out by spokespersons from the Hon. Member's own Party. What this measure does is take

some of the federal deficit and transfer it to the provinces. From my point of view, that is no way to solve the problem. The Hon. Member has made his argument on a rather faulty premise.

My concerns with Bill C-96 are not some ideas which have been hatched over here in the Opposition. An overwhelming amount of evidence very clearly indicates that the passage and implementation of Bill C-96 is bound to have a deleterious effect on the financing, the availability and quality of health care for Canadians. That idea was not hatched on this side of the House. That is the testimony that has been received by Parliament. We on this side of the House would be irresponsible if we did not repeat that again and again. We must convince the Government that to take a Bill such as this, which undermines the health care system in Canada, is a measure that deserves every bit of opposition that can be mustered.

It is the poorest provinces in the country, those with less than the national average fiscal capacity, those provinces which are less capable of compensating for the reduced level of federal support from their own revenues, which will suffer the most. I think certain Members of Parliament from Atlantic Canada ought to be particularly concerned with Bill C-96. Much of the testimony on the negative side with respect to Bill C-96 came from that region of the country.

This proposed reduction, or this reduced level of increased financing—it is almost a *double entendre*—is an agreement to increase financing. That agreement has been broken. It has been broken unilaterally by the federal Government. This reduction comes at a time when demographics clearly show that we are facing an aging population and a concomitant increase in demand for health care services.

Is the Government seriously saying to the country that we cannot afford the costs of new medical technology? Is the Government really saying that we can continue to live with outdated hospital facilities and that they cannot be replaced? Is the Government saying to Canadians that new services made possible by medical research are beyond our means? That is the message I get from Bill C-96 and it is a message that I do not like.

## • (2050)

Bill C-96 clearly contradicts what the Minister of National Health and Welfare (Mr. Epp) has been saying in other forums and in other parts of the country. For example, on June 17 of this year, the Minister of Health, speaking in Vancouver to the Canadian Public Health Association, said: "I took office with a commitment to health promotion". I suggest that without delay, the Minister of Health issue an erratum saying: "I wanted to work for the promotion of health when I accepted this portfolio". We would have difficulty disputing that. He is a man who is well meaning. His erratum could go on to say: "I wanted to but the Minister of Finance (Mr. Wilson) forced Bill C-96 upon me and I am no longer able to promote a better health care system in Canada".