

Federal-Provincial Fiscal Arrangements

The amendment standing in the name of my colleague, the Hon. Member for Laval-des-Rapides (Mr. Garneau), would have the effect of having the technical changes to the equalization formula introduced in the first year, and that is what the provinces understood would happen. I trust Hon. Members will be able to support this motion.

Mr. Rod Murphy (Churchill): Mr. Speaker, I will speak for only a few minutes on this motion. In seconding the motion, I wished to express the support of the New Democratic Party for this motion. It was an idea that we had also put forward in committee and it is something that we stated at second reading stage.

We believe the Government made a promise to the provinces through the Minister of Finance (Mr. Wilson). The Minister was recorded on the CBC and in the national news as having said that that money would go to the provinces in a one-year period. I believe it is very unfortunate that that offer was withdrawn and that the money will go to the provinces over a two-year period.

I would hope that government Members, in redeeming their word to the provinces, would accept this amendment. I do not expect them to do so, but I hope that that will be the case.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 4 standing in the name of the Hon. Member for Laval-des-Rapides (Mr. Garneau). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): All those in favour please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Paproski): I would like the House to know that if we do call in the Members, we will not be able to go on to third reading.

• (1250)

May I call upon the Hon. Member for Ontario (Mr. Fennell) to indicate the exact disposition of the House.

Mr. Fennell: Mr. Speaker, unfortunately the Liberals, with the exception of the Hon. Member for Trinity (Miss Nicholson), who knew the game plan, came into the Chamber and stood up. Originally they had intended to vote on each of the amendments. However, I think we have unanimous agreement, in order to get the Bill through, to move now to third reading and forgo the votes which were indicated earlier.

The Acting Speaker (Mr. Paproski): Order, please. I will put the question on both amendments again and hope that I receive the consent of the House.

Is it the pleasure of the House to adopt Motion No. 2?

Some Hon. Members: No.

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): In my opinion the Nays have it.

Motion No. 2 (Mr. Garneau) negatived.

The Acting Speaker (Mr. Paproski): Is it agreed that Motion No. 4 is also defeated on division?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): Is that so agreed?

Some Hon. Members: Agreed.

Motion No. 4 (Mr. Garneau) negatived.

Miss MacDonald (for the Minister of Finance) moved that the Bill be concurred in.

Motion agreed to.

Miss MacDonald (for the Minister of Finance) moved that the Bill be read the third time and passed.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, all Members recognize the importance of the equalization program and the need to renew the program as soon as possible. By renewing the equalization legislation, Parliament will authorize the transfer of an estimated \$5.6 billion to the four Atlantic provinces, Quebec, Manitoba, and Saskatchewan this year.

As the House is aware, annual increases in equalization of about \$300 million, or over 5 per cent over the next two years, are expected under the Bill. This includes the positive impact of improvements to several of the revenue measures used in the program.

In addition, the Bill contains a net forgiveness provision in respect of the amounts owed by provinces because of census related overpayments over the last two years. This is also of significant benefit to the less wealthy provinces which are anxious to receive the support it provides.

The Bill will also maintain the broad framework of the federal Government's fiscal relations with the provinces by