

Oral Questions

• (1430)

We are trying to involve the people of Canada as widely as possible in this discussion, as are a number of the provinces. That is the purpose of the function of the Spicer commission that was set up by the government and which commission was attacked last week in such a deplorable manner in this House of Commons.

We are trying to involve the people of this country as much as we can in the discussions and get their views. Certainly aboriginal issues will be an important part of the matters to be discussed, and hopefully settled.

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POST-SECONDARY EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is to the Minister of Finance.

A week ago last Wednesday the Minister of Finance would not admit in this House that he had indeed cut funding to post-secondary education. I want to quote from the tabled estimate documents, which read: Secretary of State, EPF post-secondary education payments—that is referring to transfer payments—changed. There is a minus in front of the \$485.8 million.

When is a cut a cut? Why this double-talk? Will the minister stand up in the House today and admit to Canadians that he has indeed cut cash payments to provinces for education, thereby threatening Canada's competitiveness and our nation's quality of life?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the opposition member has finally used the right word. I have never said that the cash payments were not cut. What I did say is that the total payment, the cash plus tax transfers, will be increasing by the population growth, and that is a continuation of what we did starting in the 1990 budget.

I should point out to my hon. friend—and this might be unusual for me, Mr. Speaker—a quote from Leonard Shifrin. "The blinkered Liberal and NDP rhetoric is not on the mark." He went on to say: "Scoffing at its plan to amend the Fiscal Arrangements Act so medicare standards can continue to be enforced is downright danger-

ous; what they should be doing is pushing the government to deliver on the measure."

We are committed to delivering on this measure. But the point that I want to make is that the total transfer, the tax and cash transfer, is not being cut. The hon. member would be well advised to look at the substance of it.

Mr. Ronald J. Duhamel (St. Boniface): The minister's source does not understand any better than he does.

[*Translation*]

Last year, the Association of Universities and Colleges of Canada and the Canadian Federation of Students predicted that cash payments would be cut in Quebec in 1997, in Ontario in 1999 and in the other provinces soon afterwards. The freeze the government has just put on these payments has made the situation worse. The federal government is withdrawing completely from cash payments. Why is the minister taking away from the poor and the poorest regions? Why does the government insist on attacking the programs that unite us as a country?

[*English*]

Hon. Michael Wilson (Minister of Finance): The total amount of the major transfers that the federal government will be making to the provinces in the next five years is \$183 billion. That is a significant amount of money and the provinces can use that in support of medicare or post-secondary education or other forms of education or highways, whatever they want to do.

The point is that the tax transfer is a substantial amount of money, and it will continue to grow.

My hon. friend made the comment that we were penalizing the lower income parts of the country. On the contrary, we have designed this so that the total transfers will increase at 3.7 per cent per annum over that five-year period. For the Atlantic provinces it will grow in excess of 4 per cent, and for the non-equalization receiving provinces of Ontario, Alberta and B.C., it will be about 2.5 per cent.

So, we have structured this in a way so that there is greater growth in those regions of the country which need the help the most.