

One of the congressmen said this to me as I sat and discussed mutual problems with him: "You know, the economy is a big problem right now and so is medicare, but if this country is as good as we think it is, the economy will pick up. Maybe it will happen this summer, maybe in the fall, maybe next year. Who knows? It will pick up though. We have to believe that". The problem of medicare in the United States is not going to go away. It will be there when the economy has started to improve.

I find it passing strange that we would try to emulate our cousins south of the border in many areas. I am looking at things like free trade and other aspects where we are trying to set up a level playing field. Yet in the area of medicare, they are trying to emulate us and we are throwing away the system. They are trying to do what we did years and years ago.

Drawing my remarks to a close, I am very upset about this bill. Getting back to the Canada Assistance Plan, I think in 24 years this program has served to support Canadians in building a social welfare system which competed with any in the world. It was enshrined as part of Canadian legislation and gave Canadians a great sense of belonging. This legislation is now taking away that great advantage that Canadians had and will take away a little part of being a Canadian at a time when we can least afford it.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I welcome this opportunity to speak on Bill C-32 which proposes to put a cap on federal contributions to Ontario, B.C. and Alberta through the Canada Assistance Plan.

I would like to speak on this bill from two perspectives, as a member of Parliament from the Hamilton area which will be especially hard hit by the cap on the Canada Assistance Plan and as a critic for disabled persons for they will also be very hard hit by this legislation.

I have recent statistics on the welfare caseload in the regional municipality of Hamilton—Wentworth. In one year the number of welfare recipients increased from 18,000 to 26,000. I would like to point out that this problem is directly due to this government's economic policies. Many of these people are on welfare because

their unemployment insurance has expired and they cannot find another job. Many of them lost their manufacturing jobs in the first place because of the Conservative free trade deal. Some lost their jobs because the GST killed their small businesses. Some lost their jobs in the retail or hospitality industry because of the cross-border shopping which has drastically increased since the GST.

The government helped these people lose their jobs, raised the UI premiums, cut back the benefits of UIC to force them off of UI sooner and now it is cutting back on social assistance. It is the trickle down theory of poverty and it is a disgrace. Since the NDP government in Ontario has been on a wild spending spree, it is finding that it cannot afford to pay for fair welfare benefits that will actually allow people and families to live in dignity.

• (1200)

Between the social Neanderthals in Ottawa and the economic Neanderthals in Queen's Park, it is a wonder there are any jobs left in Ontario.

I will say that the bungling of these two governments is certainly a good thing for the re-election chances of my Liberal colleagues and myself. It is certainly no comfort to the homeless and the unemployed and the hundreds upon hundreds of children lining up at food banks every day.

The government says it is capping the CAP because Ontario is a wealthy province. I would invite the members opposite to come to Hamilton and meet the steel workers who have lost their jobs or walk down the streets and see the stores and other businesses that are boarded up because they have gone bankrupt. Let me tell you these people do not think Ontario is a wealthy province any more. The government forgets that Ontario in relative terms has been hit harder by this recession than the other provinces.

Of course the Minister of Finance keeps telling us that the government's economic policies are all directed toward deficit reduction. They are "a necessary restructuring". I would like the minister to explain that to the kids in the food bank line up: "Sorry kids. I know you don't have enough food to eat but it is a 'necessary restructuring'. I am sorry you don't have a winter coat or decent shoes but it is a 'necessary restructuring'. I am