

However in 1990, and again in 1991, the Conservative government unilaterally amended the Canada Assistance Plan Act by restricting increases in federal contributions to five per cent to the have provinces of B.C., Alberta and Ontario. This did not help, in many ways, national unity or co-operative federalism by doing this unilaterally.

At a recent federal-provincial finance minister's conference, B.C. noted that the Canada Assistance Plan benefits are used to assist people not governments. This goes to people, not to governments.

In 1991-92, \$166 million will be lost to British Columbia due to the 5 per cent gross ceiling. More than \$1 billion will be lost by 1994-95. That means that money is lost to people. The federal government is taxing Canadians and not redistributing that money sufficiently.

The Conservatives brought in the cap of 5 per cent gross ceiling even though the Canada Assistance Plan agreement required the federal government to give one year's notice of the change. B.C., Ontario, Alberta and Manitoba and two native organizations challenged that in the Federal Court. They lost. The result is that Ontario, as my friend for Brant said, has been hardest hit by the ceiling due to the dramatic increases in welfare because of the recession. In January 1992, over 1.1 million Ontarians were receiving benefits, up 33 per cent. High unemployment there was because of the collapse of the manufacturing sector due to the free trade agreement and the recession.

I want to say something about our position on this matter. I owe that to the House. We in the NDP have opposed all legislation restricting Canada Assistance Plan funds because it allows the federal government to renege on paying its fair share of social assistance costs. Much of the growth and demand for aid is due to federal actions, ironically, such as the reduction in UI benefits, the made in Canada recession and the job losses due to the free trade deal.

The federal government is even giving notice that it is withdrawing from providing social programs which the Prime Minister once called a sacred trust. You cannot trust the federal government to honour its commitments. Someone once said: "If you shake hands with the federal government you better count your fingers after".

### *Government Orders*

What is happening is that both Liberal and Conservative governments, especially Liberal governments in the past, and this is important to remember, are not going to change the situation at all. Off-loading these expenses to the provinces is not the way to get out of it. The hon. member said: "The revenue guaranteed program is out there". Let me tell him for Ontario and for my own province of British Columbia, we have not seen the cheques. If the cheques are out there, they seem to be bouncing.

**Mr. John R. Rodriguez (Nickel Belt):** Mr. Speaker, like my colleagues on this side of the House who have spoken, I want to take a few minutes to put my thoughts on the record with respect to what is being proposed here by the government. I hope in the process of my remarks we do not have a repeat of what happened this morning when the government tried to shut me off by bringing the House down.

We live in a confederation. This is the way we have developed our form of government in this part of North America where provinces came of their own volition into a federation. We have a central government. There was one time when taxation was a provincial responsibility. That was one of the rights of the provinces. During the Second World War, they turned it over to the federal government. It was to be for a temporary period of time.

The federal government has ended up with that. There are those of my colleagues who have seen Canada as a confederation with a strong central government. I see smiles on faces of my colleagues who have always argued for a strong central government. We have a strong central government in this country.

**An hon. member:** Dictatorship.

**Mr. Rodriguez:** It is a government that determines what happens to the Canadian dollar. It is a government that has total control over the Bank of Canada. Therefore, it is a government that can control the interest rates in the country. These are facts. Bob Rae and Allan Blakeney and anybody else who ever governed a province never had a say in that. We are now hoping to broaden the board of directors of the Bank of Canada, but in fact it is the federal government that determines these things. Monetary policy is determined by the federal government. There are no ifs, buts or elses about this. Let us put it in the proper context.