

Government Orders

Here is a government that refuses to share its wealth for education, for the provinces' medical system and for welfare recipients. Instead, it prefers to share their money by giving contracts to the very rich all over the country. My experience on the Public Accounts Committee shows me that there is a lot of waste in federal government contracts.

[English]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am not happy to be speaking in this House on this bill. I do not think this is the kind of legislation that this House should be seized with. Clearly it is an attack on three of our provinces in terms of their ability to assist people in need, clearly an attack on their ability to provide the necessary social programs to deal with the upheaval caused by this government in fact through its economic policies.

As you know, Mr. Speaker, Bill C-32 allows for the extension of the 5 per cent limit on the Canada Assistance Plan for the provinces of B.C., Alberta and Ontario. I think people will also remember that Bill C-69 capped CAP at 5 per cent of the federal increases until 1992. This bill extends it to 1995. This is the only mechanism by which the federal government funds social assistance and social services. The government introduced these measures in the name of fiscal restraint and said that the rich provinces that are affected can afford the cap. Well 50 per cent of Canada's poor live in B.C., Alberta, and Ontario. It does not matter where you live. If you are poor, you are poor and do not have enough money to provide the basics of life: food, clothing, shelter.

• (1740)

The irony is that, particularly from Ontario's point of view, the same government that is saying that fat cat Ontario can afford it is the one which attacked the budget of the Ontario government. It found itself in a situation of having to have a deficit. It recognized that expenditures were increasing, particularly in the area of social services. At the same time because of the loss of over 385,000 jobs that revenues were declining, this government has the audacity to attack that decision in order to try and protect the people of Ontario from the impacts of the recession.

In fact, a very major portion of that \$9.7 billion deficit is directly attributable to this cap on CAP. It has reduced cash flows back to the taxpayers of Ontario who paid them in the first place. This is the end result of this particular legislation.

I think it is fair to suggest because B.C., Alberta and Ontario have had an image of being prosperous that when people in Atlantic Canada, from the prairies in terms of Manitoba and Saskatchewan, or people from the north find they cannot get employment in their own province or territory, they look to these three for opportunities. A lot of time they go there "on spec" only to find that the recession is worse in Ontario in particular than it is in their own province, and that there are no jobs. They end up on social services and the provinces end up having to pick up more and more of the costs.

I want to remind you that it is not just provincial income taxpayers who are bearing the burden. It is municipal property taxpayers who pick up 20 per cent of the cost. I know that in my own municipality of Thunder Bay the cost to the property taxpayer has risen enormously. We have had to add more social workers, more clerks to process social assistance, more people to help those who have found themselves not only without a job but without the necessary income to support their families.

In a lot of ways they are also victims of another policy of this government, and that is the reduction in unemployment insurance benefits.

In my community in the last three months alone we have had one pulp and paper mill close, putting 450 people directly out of work. We have had another mill lay-off in the neighbourhood of 400 to 500 employees permanently. We have the Port Arthur shipyards which is down to about 60 workers this week with 100 or so laid off. We have the grain industry that is in difficult times. We have a minor rebound right now, but we do not have 1,000 or 1,200 people handling grain in Thunder Bay any more. Most of those people have lost their jobs and we are down to a permanent work force of about 400. CanCar Rail which is between contracts has hundreds laid off, and at the other end of the riding we have one lumber mill which shut down in November. We were able to get it started again this spring through the assistance of the Ontario government. We have a second