## Federal-Provincial Fiscal Arrangements Act

glossy agenda of items to be discussed with the President, was the U.S. Farm Bill mentioned. That legislation will be in effect for the next three years.

The western provinces are looking for financial help from the Government as a result of the recession brought on by its agricultural and energy policies. Yet the Government is cutting back \$8 billion from assistance for post-secondary education and health care during the next four years.

Since you come from Alberta, Mr. Speaker, you know that Alberta had a very positive economic situation only a couple of years ago. That province is now facing a \$2 billion deficit and must deal with an additional cut-back in health care and post-secondary education contributions. Surely the Government should recognize the reality in this country rather than rely on the view of the Minister of Finance whose gaze might go a little bit north of Bloor Street but not to northern Ontario, parts of Quebec, the Maritimes, and certainly not to western Canada.

The Government has imposed cuts in several areas. Last week we saw the Prime Minister put on one of the greatest shows in history when he seemed to be helping agriculture. He implied that the Government was raising the domestic price of wheat from \$6 to \$11 in order to assist the farmers. In fact, all he did was increase the price range. There is yet to be a decision on whether that will be done, how it will be done, and what its impact will be.

The Prime Minister appeared to be freezing freight rates, but that suggestion was exploded even before the press conference finished. The people in the press gallery knew that all the Government had done was recalculate the volume of wheat that is to be shipped this year from 31 million tonnes down to 28 million tonnes so that there was no need for an increase in the portion that farmers paid in freight rates. Everyone knows that it was a charade.

The Prime Minister also announced that he would remove the 2.5 per cent excise tax on farm fuels, a tax that should never have been imposed last September. This morning, at a committee hearing, I suggested to the Minister of Agriculture (Mr. Wise) that this tax should be removed retroactively to last September because the crisis began last year. It was absolutely criminal for the Government to impose an excise tax on farm fuels at a time when agriculture was facing its greatest stress. Rather than eliminating that tax as of May 1, the Prime Minister should have apologized to the farmers of this country for imposing it last September, and made the deductibility and rebate provisions retroactive to that time. We are talking about at least \$75 million in revenues which the agricultural industry can ill afford to pay.

## • (1150)

Certainly, the Draconian measures which are being used by the Government in Bill C-96 are simply to bully this through the House. To add another \$8 billion of costs on to the provincial Governments at this time, many of them in the

outlying and resource-based areas, is not a fair, equitable, or even-handed way to operate.

The other aspect of this Bill is that its impact will be felt by all sectors of the economy. At a time when 600,000 or 700,000 young people are unemployed we should not be taking away \$8 billion from the provinces.

The Minister of Employment and Immigration (Miss MacDonald) has already stonewalled \$400 million of the money she was supposed to spend on direct training and upgrading programs last year. The Government is moving even more in a heavy-handed way by removing this desperately needed \$8 billion of funding from the provincial Governments over the next four years, using Bill C-96. I hope the Government will reconsider and take this Bill off the Order Paper. It certainly is not in the best interests of our country.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have just returned to the House after spending quite a period of time with the Child Care Task Force which has been travelling across Canada. We have heard over and over again about the really sad situation young children face unless there is some very immediate action to provide better care so they will be better prepared for the future. I returned today to find out that we are debating major cuts in post-secondary education and health services which will be devastating for this generation of our youth.

This Bill is just appalling. It is inhuman from the point of view of our human resources and what it is going to do to our young people. It is also very short-sighted from an economic point of view. It attacks young people who right now do not have access to post-secondary education which they need desperately. This Bill will make the situation even worse. It attacks women. It will be predominantly women who will lose jobs and health services. It is particularly young women who may now be on welfare, who are raising children, who will not have a chance to get into training opportunities in order to become independent and make a better life for themselves and their children. It attacks elderly people who, as one member of the Conservative Party just said, will be relying very heavily in years to come on our health services.

I find it hard even to speak because this approach is so disappointing. The Government can find billions of dollars to increase defence spending, yet it has to cut back on the very essential services for our population. One wonders what is happening to us in Canada. It is extremely disappointing. I just hope that people across the country will be aware of what this Bill means. As my colleague said, the total cuts will mean over \$5,608 million will be taken out of health services and education by 1990. That is just in federal cuts. We must add to that the provincial cuts. British Columbia will lose \$642 million. I can tell you, Mr. Speaker, that this will have a tremendous negative impact on young people and our elderly in British Columbia.

At the same time that we are cutting back on health care and post-secondary education, over the next five years the