

appointed by the Ontario Association of Municipalities, OAM, and six of my cabinet colleagues are helping to realign provincial-municipal roles and responsibilities. The Minister of Municipal Affairs, David Cook, chairs the committee."

What we need is not more study by this committee but action, action that will divide those responsibilities for general welfare assistance equally between the federal and provincial governments. Bill C-32 is just exacerbating the situation. The costs are skyrocketing in Ontario and instead of sharing on a 50/50 basis, the federal government is welshing on the commitment made when the Canada Assistance Plan was set up by Mr. Pearson back in the 1960s to share equally between the province and the federal government.

Likewise, if that was being done fairly by the federal government, it would ease the burden for the province to carry out its responsibilities in sharing the cost equally between the federal and provincial governments for local welfare. Welfare costs have doubled and tripled in many municipalities at a time when many of the local ratepayers are facing unemployment themselves and difficulty in paying their municipal taxes, while at the same time the government of Ontario has put a cap of one per cent on grants to school boards. This offloads more on the local municipal ratepayers.

The government should withdraw this bill. I am sure everybody agrees with that because they realize how important the local ratepayer is in this whole chain of taxation from the municipal and federal level.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to stand here in this House and debate third reading of Bill C-32, an act to amend the Canada Assistance Plan.

Through this legislation the government will cap the Canada Assistance Plan transfers to the three provinces, Alberta, British Columbia and Ontario. I have spoken before on this in the House of Commons and the absolutely abysmal ramifications that this legislation, if passed, will have on Canadians living in those three provinces who are being discriminated against.

Here in the nation's capital as far back as in April 1990, when the government first announced the cap on CAP, the social services committee of the Ottawa-Carleton

Regional Council brought the following recommendations forward in an attempt to cut the federal government off at the pass:

That the province of Ontario be advised not to pass on federal revenue losses to the municipalities;

That the province continue to implement SARC reforms;

That the federal government be requested to retract its discriminatory capping policy with respect to the Canada Assistance Plan as it relates to the provinces of Ontario, British Columbia and Alberta;

That the Regional Municipality of Ottawa-Carleton express in writing to the leaders of the three federal parties and to the local members of Parliament its opposition to the proposed limits to the increase of federal contributions to programs to alleviate and to prevent poverty under the Canada Assistance Plan; and

That the Regional Municipality of Ottawa-Carleton request that the Federation of Canadian Municipalities undertake a federal lobby campaign to intercede in consideration of the proposed legislation to reduce the share of federal contribution under CAP to the three provinces of Ontario, Alberta and British Columbia.

These recommendations are still good today so I will not repeat my previous speech. I would really hope that the government will listen this time. It did not the last time, especially as the evidence shows more and more strongly that this government's economic policies simply do not work and are not working for Canadians.

During the debate at second reading in September, I mentioned that the three affected provinces will lose \$2.135 billion in federal transfers over the five-year period through 1995-96. These numbers are from the government's own estimates. These provinces during these hard economic times cannot afford to lose this money. And certainly the province that I know the best is the province of Ontario and we all know that Ontario is being hit very, very hard in this recession.

• (1240)

The Canadian economy is mired in its worst economic crisis since the great Depression. The Conference Board of Canada is reporting a new low in consumer and business confidence. In September 1991 Canada regis-