

The Budget

by increases in the amount of capital made available to the private sector by the country's financial institutions".

In fact, when the record is further considered, it becomes obvious that large deficits have not severely limited policy options. Professor Bellan has correctly pointed out that "Canada's national debt has increased 70-fold since 1939 and interest payments are now 200 times higher than what they were in that year. Yet, in 1939 the federal government did far less for Canadians than it does today." Indeed, today the government of our country maintains three major programs—unemployment insurance, family allowances, and medicare—that did not exist in 1939 and contributes far more to education and welfare.

Speaking of welfare and other forms of social assistance programs, this government has tried to excuse itself for capping the Canada Assistance Plan ceilings by saying that the cap only affects the three richest provinces.

Well, we know that the Canada Assistance Plan is the funding program for welfare payments and services to the poor and that half of Canada's poor live in those three richest provinces. Therefore, they stand to suffer, as correctly observed by Mr. Leonard Shiffrin of the *Winnipeg Free Press*, issue of March 1, 1990.

As you can see, Mr. Speaker, this government has not been fully candid with Canadians. Not only has the government not been candid, but it has conveniently excused itself to be a government without a heart. It has recently started to chip away at the universality of our social programs and now it has decided to start killing the one program that is completely targeted to the poor. The poor stand to suffer even more when they want to pursue further education and when they get ill.

The freeze on transfer payments in the proposed budget is another blow to Canadians. Three times since 1986 this government has imposed measures that have reined in Established Programs Financing.

If this trend continues, if this Tory government continues its assault on transfer payments to provinces, Ottawa will cease to pay a single penny for medicare in any of the 10 provinces by the end of this decade. When this happens, medicare as we know and cherish it today, will be dead and each province will have its own different health scheme. In each province the system will become

segregated, much like it is in the United States. For the rich there will be a first-class private system. For the poor there will be inefficient, underfunded, overcrowded health care system.

Ten years ago the federal government paid for 51 per cent of the cost of medicare in Ontario. Under this government, it is now 37 per cent. After this new budget, this percentage will continue to decrease.

Transfer payments from Ottawa for my home province of Manitoba are depended upon for 38 per cent of its revenues. While health programs have been increasing between 7 and 9 per cent per year, the transfer payments which cover this vital program have not been increasing at this rate.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I want to commend the hon. member for Winnipeg North on his excellent speech. One of the things I know he has listened to this afternoon is a lot of talk about how popular the goods and services tax is becoming in Alberta. In his province, in spite of the Minister of Finance's protestations that there are no tax increases in this budget, the people of Manitoba, I have no doubt, are awaiting with dread the imposition of the goods and services tax this government has proposed.

I am sure he will have read in the Supplementary Estimates C, that were tabled by the President of the Treasury Board earlier today, that the Department of National Revenue is requesting authorization from Parliament to spend an additional \$100 million, \$82 million of which is for the Customs and Excise branch. I assume, although I have not got the details of these expenditures, of course, that these are to pay for the tax police to administer the goods and services tax and to pay for the additional office space required by these tax police so they can exercise their functions, gouging and screwing this money out of the Canadian people.

I noticed that the Department of Taxation is getting an extra \$20 million. I assume that is for more tax police there.

Are these measures ones that are popular in Winnipeg North?

Mr. Pagtakhan: Mr. Speaker, I would like to thank my colleague for the comments. Certainly, the constituents of Winnipeg North are adamantly opposed to the GST.