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citizens. Second, it has not spent the money that has been required to cover the intent of the Canada Assistance Plan, or the national intent of ensuring that people who are in need in fact will receive what they need.

• (1250)

Approximately 46 per cent or 861,000 people receiving assistance under the Canada Assistance Plan live in the three provinces whose payments are being limited to 5 per cent. Given the finance minister's predicted increase in the levels of unemployment—and we have to think about that—there is every reason to believe that these numbers will increase. We also have to think about Bill C–21 which is going to limit the number of people able to collect unemployment insurance.

Choices by these provincial governments will have to be made on how to handle the increased demand for welfare assistance and social services knowing full well that they will have to take on the full costs once they have reached their cut off.

Ontario has led the way in the average growth of spending under CAP at about 14 per cent, with Saskatchewan and B.C. at the opposite end of the scale at between 2 per cent and 3 per cent, hence my comments about the inadequacy of the welfare program in British Columbia. As the previous speaker said, the governments of British Columbia and Ontario have in fact taken this to the courts with the support of Alberta.

The way things stand now, Ontario will most likely be unwilling to expand existing services or increase its share of funding for native services without the matching federal dollars. Given the rate of inflation and a rise in the cost of providing welfare services due either to a greater demand or a greater delivery cost, these provinces will have to review the priority they give to these programs. They will have to decide if they are willing to increase provincial taxes to provide services at existing levels, or if they will reduce the social services they are providing. I hope, but I do not feel any confidence, that it will not be the second.

Obviously, this can be done in a number of ways. But the one which is likely to take place is the tightening of eligibility requirements, or reducing benefits.

While the government fails once again to introduce a national child care program, it is forcing Ontario, British Columbia and Alberta to choose whether to provide programs and services to those in need or whether to provide child care. What a choice.

On the one hand we have single parent mothers desperate to get out of the welfare system. On the other hand, if that mother goes to work, there is no child care. What kind of trap is this person caught in? On the one hand, she is caught in the welfare cycle. On the other hand, she does not have the support of child care to get out of the cycle and into a decent paying job.

We feel expenditures for child care may be decreased to compensate for the 5 per cent ceiling. Again, the unemployed parent is caught in the squeeze.

Recently we have been bouncing Bill C-21 back and forth. In the study by the Canadian Labour Congress of the effects of UI changes under Bill C-21, it was found that 375,000 beneficiaries will have exhausted their claim before finding a job because of reduced entitlement under the new law. A provincial breakdown makes it even more shocking. Persons not qualifying due to higher entrance requirements and persons losing benefits due to reduced benefit periods in the three provinces are as follows: in Ontario, 117,360 people; in Alberta, 46,450 people; in British Columbia, 59,710 people. A portion of these people will seek social assistance from their province while another portion will find employment, most at low-paying jobs.

The finance minister's projection of increased unemployment levels in the next two years is true. He is predicting 8.2 per cent and 8.5 per cent unemployment in the next few years. Yet the rest of his policies is creating a tightening of the very programs these people will need.

More people will find themselves exhausting or not qualifying for unemployment insurance benefits. We can expect the demand on social assistance and the number of working poor families to increase, and increase dramatically.

While the government continues its crusade to erode Canada's social programs, at the same time it is bringing in legislation to disqualify Canadians from unemployment insurance benefits. It has not brought in child care. It has limited the ability of the provinces to cope with increasing demands for social services. This is not what one would expect when one talks about fairness, when one talks about the kind of Canada that is concerned with all people, the kind of Canada that ensures that everyone has an opportunity to survive.