

Government Orders

sands and millions of Canadians to continue to suffer. As Liberals, we will not put up with it.

Mr. Maurice Foster (Algoma): Mr. Speaker, the bill before the House today is of the greatest gravity, certainly to the province of Ontario and, I am sure, equally to the provinces of British Columbia and Alberta because at this time Ontario is facing the worst financial crisis since the 1930s.

It looks that much worse because of the unparalleled prosperity that occurred in our province between 1983, the last recession, until the fall of 1990. Clearly we are in an incredible financial bind in the province of Ontario.

This bill that we are talking about today, because of the mechanisms that are in place in the province of Ontario, goes directly to the taxpayers in every constituency across the province.

A speech by Mr. Rae a week or so ago indicated that municipalities and boards of education and other agencies are going to be limited to a 1 per cent increase this coming year. He has no prescription for changing the economic circumstances of the province of Ontario but he has a deficit of at least \$9 billion, perhaps \$13 billion. He came on the television and said: "This is the problem", and did not set out any prescription for solving it.

That situation comes right back to Bill C-32 because it was the government's initiative in the budget a year or so ago to cap the Canada Assistance Plan, a program that was brought in, as the hon. member from Toronto, our critic on employment mentioned, by Mr. Pearson and his government in the period 1963 to 1968. We undertook to provide half of the funding for general welfare assistance, child support and most forms of assistance in this country.

In seven out of the ten provinces of this country, the provincial government and the federal government share those general welfare costs on a 50/50 basis. In the province of Ontario that is not the case. In Ontario, the province picks up only 30 per cent, the federal government picks up 50 per cent and the local municipalities are saddled with the other 20 per cent. This 20 per cent, in prosperous times, is manageable but in the current

devastating situation which we face, especially in northern Ontario, it is a burden that simply cannot be borne.

• (1230)

I wrote to the premier of Ontario several months ago and asked that he apply, as he had committed to when he was in opposition, to sharing equally the welfare costs, as is done in seven of the ten provinces. I received a letter from the premier on January 13 in which he expressed concern for the local municipalities saying that their expenditures have doubled during the past year.

Clearly that is the case in Algoma district where we have had massive lay-offs in the uranium mines in Elliott Lake, where we have had massive lay-offs in the steel industry in Sault Ste. Marie, where the forest products industry is suffering with lay-offs and temporary shut-downs and so on. Unfortunately, in the premier's response to me, he indicates that they do provide some assistance when the unemployment goes beyond 3.5 per cent.

Mr. Speaker, we are saddled this coming winter with welfare rolls that are reported by our family and social services board to approach 15 per cent. So you can see that the criteria of the provincial government of 3.5 per cent, a great deal of it will be applied between that and the 15 per cent.

What we have here with the off-loading on to the province of Ontario when it is facing the worst economic crisis since the 1930s and the province breaking its commitment to the municipalities which it made when it was in opposition to disentangle the general welfare assistance, the assistance for single parent mothers, for foster homes, for essential living services, for disabled and handicapped people, dental care for poor families, subsidized child care for low income, safe houses for abused women. All those things are provided for under the Canada Assistance Plan and the provincial government is really not living up to that commitment. The premier of Ontario goes on and says: "The Ontario government recognizes the current financial arrangement between the province and municipality government lack accountability and simplicity". That is certainly clear. The arrangements, the regulations need to be simplified.

"We are committed to a disentanglement process to find better ways", the premier says, "to deliver our community services." He goes on to say: "A joint steering committee composed of six municipal representatives