

Government Orders

The government changed the waiting time and the length of time people can collect benefits, which has meant there have been dramatic increases in the demand for income assistance, particularly as we have gone into a recession.

I am beginning to realize that this government knew the recession was coming. It should have known, it was planning it; in fact, it engineered it. One of the first things it did was make itself recession proof: "We are not going to pick up the cost of the recession, so let's get out of UIC. We'll off-load that on to the provinces, we will off-load it on to the income assistance". Then somebody said to them: "Of course you know we have to pay 50 per cent of that income assistance". So the government said: "We will off-load that on to the provinces too".

The government brought in a ceiling for the three big provinces—Ontario, British Columbia and Alberta—in which income assistance is limited to a growth of 5 per cent, knowing full well, because of the changes to the UIC and to the recession that it had precipitated in this country, that the costs were going to go up dramatically. However, it had off-loaded those on to the provinces. You know, the cost to the provinces is going to be at least \$5 billion over the period.

Then the government came to such things as the EPF, the Established Programs Financing, which is for post-secondary education. It talks a lot about the need for additional training and education, that that is our route to financial security and competitiveness. But of course it says: "We are not going to pick up the cost of that, we are going to off-load it on to the provinces". The cost to the provinces by the year 2000 will be \$64 billion.

So this government simply says: "Look, we have no ability to control our own expenditures; we are out of control so we will simply off-load on to local governments and provinces".

• (1240)

There are other transfer payments that it has off-loaded. The government has simply said to the provinces: "You're going to have to pick up the cost". Some of these are programs which the government sanctimoniously speaks of the need to help. It has off-loaded farm income stabilization, crop insurance, economic develop-

ment, reforestation, policing, social housing, correctional facilities.

The B.C. government has done an excellent analysis of the impact on the province of the off-loading of federal costs on to that province and the impact on that province. The total cost in this fiscal year is \$1.1 billion, out of a total deficit of \$1.7 billion. In other words, all that has happened is that the federal government has reduced its deficit by transferring it to the province.

Expenditure controls have not been cut back. The Canada Assistance Plan in British Columbia will have \$160 million less this year, \$1 billion over a five year period. The Established Programs Financing cutbacks are going to be \$6.8 billion by 1995.

I think it is important to remember where these cutbacks started. They did not start only with the Tory government. They were started by the Liberal government in 1982. In fact, out of the total \$6.8 billion loss of revenue for EPF between 1982 and 1985 for the province of British Columbia, \$2.6 billion is because the six and five program was brought in in 1982.

Here we have the off-loading. When we start looking at it, we find out that really the Liberals not only left the Tories with a legacy of \$160 billion debt, they left them with a program and plan of how they can off-load this stuff on to the provinces. They initiated it with block funding in 1977 and then the changes to the EPF formulas starting in 1982 and again in the six and five program. We now know the Tories learned many of these things, not from the Socreds, but from the Liberals.

The federal government is talking about fiscal restraint. The reality is that 20 per cent of its total expenditures amount to transfers to the provinces. In the last three years, over 50 per cent of the restraints have been in cutting back in transfer payments to the provinces. In other words, the bulk of its efforts to reduce its own expenditures have in fact not been reducing expenditures but have in fact been off-loading.

I see, Mr. Speaker, that you are signalling that I have another minute. I just want to—

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry but your time has expired.