

The Budget

payments to provinces who do not comply. We are also told that the Canadian assistance plan, or CAP, the source of half of the social program funding in Canada, no longer exists. The only responsibility that remains is to make welfare payments without minimum residency requirements.

The bottom line is that the government, by dropping CAP, wants to be seen as generous and mindful, at last, of the role of provinces. But the fact is that the government is retreating because it can no longer afford CAP. It does not want to invest the money needed to give its share to Ontario, a province that suffered a lot during the last recession. The government was in a bind and either had to find more money, or penalize Quebec. So, it decided to put on a show of openness, but at the same time to prepare with the provinces new standards applicable, as Mr. Martin said, to the Canada social transfer.

No more cuts, no more centralizing. Let the people and the provinces take care of all the problems and the debt. But the federal government got itself some breathing space by using the money of workers and small businesses.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Madam Speaker, I find it strange that the opposition critic objects to this transfer of some areas of jurisdiction to the provinces. Even though the role of the opposition is to criticize the government, in this case, it is still criticizing federalism.

We talked about the surplus in the unemployment insurance fund. Certainly, these past few years, we have been forced to review our programs, to seriously reevaluate them, in order to see where we are in these programs which have existed for more than fifty years or so. We certainly must make some adjustments. We must face the new challenges of market globalization, and I believe that the federal government is fully aware of the importance of taking some corrective measures in this regard.

I would like the opposition critic to tell us what she thinks about the fact that the government has decided to do more in counselling services, in basic training abilities, as well as in training and experience in the workplace. It also intends to do more in child care services. It is even looking at the opportunities relating to the income supplement. I would like to know if, in her opinion, these are not new ways of doing or seeing things which are highly commendable and which will certainly work towards the well-being of the people of Quebec.

Mrs. Lalonde: Madam Speaker, I thank my hon. colleague for his question.

First, I want to say that if I talked about surpluses in the unemployment insurance fund, it is because these surpluses are due to the cuts that have been made. However, my hon. colleague gives me the opportunity to say that what the federal government is about to do with its Human Resources Investment Fund is to provide itself with a fat account, because it will be

supplied both by the programs presently financed through the Consolidated Revenue Fund and—this is made very clear in the budget—by the reallocation of the moneys saved by a new reform of unemployment insurance.

That means that the government will provide itself with a big fund to take action in areas of provincial jurisdiction. It will not even bother any longer to try to negotiate or impose its standards, it will take action.

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The last step is the centralization in Canada of social programs since the transfer of jurisdictions, because at that time at least they sought approval by Parliament. The last step deals with direct involvement in day care services, in income supplements, because the minister's objective was to be able to take up, through federal funds, the assistance, employability and job development services, yes, but for people able to work, who from now on would not be under provincial jurisdiction but who would, because of the long term unemployed provisions, fall under the central government's control.

So, there is indeed a large reform under way, but that reform, instead of going in the direction of recognizing provincial jurisdictions, is going in the direction of giving, through funding, direct power to the central government. This government does not care about overlap and duplication. It does not care about co-ordinating its operations and setting a strategy with the provinces, which means that in fact the government will completely take over the area of manpower. Under the circumstances, it is easy to understand why it does not want to hand over manpower training to Quebec.

[English]

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I would like to make my position very clear that I do not believe for a second that the people of Quebec, given the opportunity to vote in a referendum that is fairly put to the people, will vote in favour of separation. The member and I have a very substantial difference.

I want to put that on record because I would like to ask a question that would encompass both the possibility of her achieving her dream of Quebec separating and if not. In the issue of bringing education, hospital and the Canada assistance plan together under one roof and downloading as the Liberals are trying to do, at the same time removing \$4.5 billion which means that if we are going to maintain the same level of service, which may or may not be necessary, the taxes would then have to go up at the provincial level.

If we can just set that aside, I would like to ask a question in terms of concept because she did raise the issue of national standards. If, as I have already stated, I reject categorically the concept of a separate Quebec but nonetheless if that should transpire, how would the people of Quebec be better off considering that there would be absolutely no national standards; in