

Government Orders

The next areas I would like to deal with concern the reductions in the Canada assistance plan and the public utilities income tax transfers.

First of all, while we support reductions to the Canada assistance plan, transfers to the provincial governments, we believe that the corollary of this is that the federal government where it has a responsibility must give the provinces more freedom in adjusting to the lower level of funding. They cannot make ground rules that cannot be lived with within their economic means. If we cut funds from the provinces, then we must also change the level of responsibility in order that adjustments can be made at the local provincial level.

If we look back when the Canada assistance plan was created, the federal government used its fiscal powers to intrude into an area that was exclusively provincial jurisdiction. It agreed at that time to pay 50 per cent of costs if in return the provinces agreed to certain national standards. That was the deal. Since both levels of government were happy with this cost shared agreement there was no problem. What we have to do is look ahead and see what happened.

However, after continuous cutbacks of Canada assistance program transfers the federal contribution, for example, in Ontario today is just 29 per cent, about half of what it was in the first commitment that the federal government made. Yet the federal government at the same time insists on the provinces maintaining certain national standards. The government cannot have it both ways. There must be a change in planning, policy and attitude.

If the federal government wants to continue to have the say in the field of welfare, a field exclusive to provincial jurisdiction, then it on the other hand must be prepared to pay its full share. That is not what I am talking about here today, but that is the option that should be open to the government.

We in the Reform Party recognize that the federal government simply cannot afford to maintain such a level of funding. That is why we support a cap on the Canada assistance program. However, as the quid pro quo we are prepared to allow the provinces the freedom which I have talked about that they need to experiment in creating sustainable and efficient income support programs.

My concern with the government's cuts to the Canada assistance program is that they have been made in isolation, with no consideration of the consequences that these measures will have on other aspects of Canada's income security system. This measure does not move the country closer to a permanent solution to our financial crisis; it only offloads the debt from one level of government to the other. We cannot afford to do that in our nation. It is unfair.

• (1150)

As a senior government we have to take a parental responsibility and understand that we cannot unload the debt on our children, that we have to deal with the circumstance here in this assembly as adult, parental, responsible persons in charge of the program across this nation.

We must remember in doing this that there is only one taxpayer and if we keep loading it down from one government level to another that taxpayer is going to be suffocated in this transfer of funding responsibility.

I would like to now talk about the reductions in the transportation subsidies. The Reform supports the principle of reducing transportation subsidies but we question the wisdom of making these cuts in isolation from other measures which would address the various serious transportation problems facing the country.

Supporting reductions in the grain transportation subsidies is not an easy thing for me to do. I am a grain farmer and many of the voters who sent the Reform Party to Ottawa have benefited from the Crow rates. However, we must be realists. I realize that the federal government simply cannot afford to continue subsidizing western and Atlantic transportation costs at their current level. Last year alone federal subsidies for the Crow benefit totalled \$720 million.

Unlike the government the Reform Party does have a plan. The Reform approach is to eliminate transportation subsidies and redirect the funds to the Reform Party's proposed comprehensive safety net programs which will defend Canada's food producers against matters over which they have very little control.

In order to create a genuinely competitive transportation environment we will deregulate the rail transportation system and will consider privatizing the Canadian national rolling stock.

Unlike the Liberal government's insensitive, across the board approach to reducing transportation subsidies, the Reform policy is a balanced one which provides support to those who truly need it while laying the foundations for an efficient and market driven transportation system that will carry Canadians into the 21st century.

The next subject I would like to deal with is CBC borrowing, the borrowing authority that is given in this bill. It is the first borrowing authority to be provided to that crown corporation by the government through legislation.

I want to say very clearly that the Reform Party is strongly opposed to the provisions in Bill C-17 that would amend the Broadcasting Act to allow borrowing by the Canadian Broadcasting Corporation. CBC representatives have told us that this \$25 million would be used for a purpose that would provide a more business like flexibility to the organization. We in the Reform Party see this as nothing more than a back door way of