

Government Orders

There is a third alternative and that is the Liberal alternative, the Liberal way of reducing the deficit and revitalizing the economy in the country as a whole and that is through investment. We do not look at the question of putting money in the area of health care and education as being an expenditure, we look at it as being an investment in the future of Canadians.

The Minister of Finance and the Department of Finance in May 1990 said, when they spoke about the CAP spending restraint, that \$147 million would be saved in the year 1990-91 and \$154 million in 1991-92. The government at the time estimated that for the next five years it would be saving approximately \$2.35 billion in transfer payments to Alberta, British Columbia and Ontario. Then the Minister of Finance of the province of Ontario, Mr. Nixon, estimated that would cost the province about \$150 million in 1990-91 and approximately \$280 million in 1991-92. The latest estimate which came a year later clearly stated that the loss to the province of Ontario would be approximately \$1 billion in one year.

As a result of this move, the total share of social services which are provided by our regional municipality of Ottawa-Carleton will be reduced tremendously. In fact, the Social Planning Council of Ottawa-Carleton predicts that the cap on the Canada Assistance Plan will cut revenues by \$596 million over two years in the Ottawa-Carleton region alone. That is a tremendous amount of money, considering the increase in the social welfare payroll on an annual basis in this region is at least 10 per cent every year.

When the federal government cut the transfer payments to the provinces, the provinces in turn cut their transfer payments to the municipalities, and the municipalities find themselves trying to pick and choose, as my colleague from Ottawa West indicated, whether to increase the property taxes or let the people go hungry.

This downloading is creating a generation of people on the welfare market. In many cases they are not receiving the kind of care they deserve because of lack of funding. On the other hand, the government both at the federal level and at the provincial level are just shifting the problem without trying to address it with some sort of strategic plan.

Mr. Speaker, we must look at the impact of Bill C-32 on medicare and post-secondary education. Back in 1976, we had an agreement between the federal government and the provinces which stated that funding for post-secondary education was on a fifty-fifty basis. However, in 1986 the federal government started cutting the transfer payments to post-secondary education by 2 per cent every year, until the famous Bill C-69 arrived, which froze completely the transfer payments for 1990-91 and 1992 to the rate of inflation. From there it started going downhill.

These cuts in transfer payments have affected the delivery of services and programs at universities and colleges. For instance, the 1987-88 budget in the province of Quebec published a table which showed that the federal government would no longer put any money into medicare in Quebec by the year 2004, as I indicated earlier. That was with only the 2 per cent reduction in the federal funding formula which is presently being used. However, by 1990-91 the reduction would climb to 3 per cent and all the contributions would be frozen again for two years. All cash payments to all provinces, even the poorest, and that includes Atlantic Canada, will end some time around the turn of the century. Payment to Quebec will end by the year 1995 and in Ontario in 1998.

So as we are saying, less and less federal money for medicare and colleges and universities will put more of a financial burden squarely on the shoulders of the provinces. As a result, the federal government's ability to influence national standards and guidelines will be, as I indicated earlier, diminished.

When a survey was done across the country, 85 per cent of Canadians believed that medicare is our best and most valuable service.

When we look at the question of education, nobody could have put it any better than Jane Arnold, who is the chairman of the Canadian Federation of Students, when she said that education is a right and not a privilege. Bill C-69 and Bill C-32 take away the right and make education a privilege. Truly, Mr. Speaker, it will make education a privilege because, according to some statistics which were published in 1986, the higher education our children and our youth receive, the better chances they will have in receiving an education. The lower