

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I welcome this opportunity to take part in the debate on Bill C-96 concerning fiscal arrangements between the federal Government and the provinces and federal contribution for post-secondary education and health care.

First of all, I would like to point out that although the reductions in equalization payments provided under Bill C-96 were announced in the May 1985 Budget, the Conservative Government did not say when these reductions would be introduced nor what amounts were involved.

That is why I think we should take a closer look at what happened between the May 1985 Budget and the announcement that equalization payments would be reduced, made at the First Minister's Conference in Halifax, in November 1985.

The House will recall that last summer and last fall, there was talk of reducing the deficit, and many observers seriously wondered whether the Conservative Government would be able to do so.

At the time there were several bank failures, and there was the decision made by the Conservatives to pay compensation for uninsured deposits, which means deposits over and above \$600,000. We criticized that decision because it meant defending the assets of the rich at the expense of the average depositor. The Liberal Party's position on the subject has not changed.

Another measure announced in the May 1985 Budget was also pretty questionable, and I am referring to the capital gains tax exemption. This measure will cost the federal Treasury \$1.25 billion between now and 1991. This measure reflects a social choice that is not the Liberal Party's choice.

Mr. Speaker, my point is that the choices made by the Conservative Government are not always intelligent choices. And that is why is the matter with Bill C-96.

This Bill will reduce payments to the provinces for post-secondary education and health services during the next six years. This means that the federal Government will save about \$8 billion at the expense of students and patients. These reductions are also being made at the expense of our technological future and scientific progress, because it is a well-known fact that to remain competitive with other western countries in technology, science and the human sciences, we must not cut back but continue to re-invest.

Also, when one considers the significant cuts that will be affecting the provinces, when one considers also certain services that we would like to establish, like child care for instance, one realizes that right now the first answer is: Sorry, the federal Government is not transferring the necessary funding, there is no way we can provide for those services.

However, if we look closer, we find that in Canada one child out of five is poor. We have 43 per cent of mothers with children below age 3 who work full-time. Also, 46 per cent of mothers with children below age six are working full-time, because of precarious economic circumstances. Only 29 per

Federal-Provincial Fiscal Arrangements Act

cent of families in Canada live on one salary. In 42 per cent of families, couples with children, both parents have to work for otherwise they would live below the poverty level.

At present there is a 15 per cent ratio of conventional families, while in 52 per cent of single parent families women are the breadwinners.

Now, if we consider introducing child care, which in my view should be a priority with the Government of Canada, and if we have that kind of budgetary cutbacks, the provinces will certainly refuse to get involved in that.

I do not believe child care is merely a women's concern. Child care is the concern of society, of the family, of the couple and at present the birth rate is 1.6 and will decline to 1.4 within a year or two. And when we look at the increase in the number of senior citizens, providing those essential services to our children would be simply a quid pro quo, because they will have to support us when we become seniors.

When we held hearings across Canada, we had presentations from numerous parent groups. They were not only women, fathers were there too telling us about the need for such services. There was a submission from someone in Vancouver who compared child care to automobile parking lots. Of course, at first we were all startled, because we did not see the connection. But they made the point that we have cars, which are very important to us. We take good care of our cars because they cost quite a lot of money. Also, if you have problems with your car, you bring it to a serviceman, there being no point in taking it to the service-station around the corner because we want our cars to be kept in good condition. When you go to work, it is understood that there are parkings for your car. If you rent an apartment or buy a condominium downtown, it is understood in the lease or purchase agreement that you will also have a parking space. If we compare parking spaces for cars and facilities for children, we find that our priorities are very different in these two cases. If you have a problem with your car, you just call the office and say: I am having car problems. You will be told: Fine, go to the garage, you can come in one hour late, there is no problem. When you get to the office, you will be told: Is your car fixed? Do not worry, I had the same problem last time. However, let a woman phone and say: I have a problem because my child is sick and the sitter has not arrived. She will be told very nicely that it had better be the last time because, otherwise, she will have to look for another job.

I think that this shows what our priorities are and what they should be.

If Bill C-96, which deals with equalization, is adopted, the federal Government will obviously lead the way, but it will be very difficult to apply this Bill in practice.

In addition, Mr. Speaker, if we think about the cut-backs provided by Bill C-96, we find that some Canadian universities will have to reduce their budgets drastically, which will check the progress of both students and teachers. In the province of Quebec, for instance, I know that there have been major