

### Government Orders

provinces, which are not rich at all these days, this will help to pay for the deficit. What would help to pay for the deficit would be to get people back to work and get them paying taxes.

Another thing that it could be doing and which we have proposed repeatedly is to have tax reform which would mean that corporations and wealthier Canadians would pay a higher proportion of taxes. Why should the lowest-income people in the country be the ones who are penalized for the federal deficit?

I would like to quote just one statistic here. Stats-Canada has shown that spending on social programs is responsible for only 6 per cent of the national debt. Tax breaks to wealthy individuals and corporations is responsible for 44 per cent of the debt. There you have it.

What the federal government should be doing is having tax reforms that would bring in the money to help with the deficit which we all recognize is a serious problem. It should not take social services away from poor people, children and families who are struggling.

This is not surprising. This is part of the Conservative philosophy; it is part of the philosophy of the trade deal with the United States. It is part of the so-called free market approach to things which is *laissez-faire*, that you must reduce social programs. We must bring our programs down to the very low level playing field which is common in the United States.

Canadians do not want that. I think that over and over again, we have seen in these constitutional forums and so on that Canadians think social programs are very important. They are the things that make us Canadian. We are proud of them and we think the federal government should be improving them, not cutting back by this kind of capping of CAP.

What impact will Bill C-32 have more specifically? I just want to say in my province of British Columbia, it is a very heavy burden. It is totally unfair. Our new NDP government in British Columbia has discovered that there is a secret deficit which was not made public, a \$1.7 billion deficit. When the books are probably all finished, it will probably be closer to \$2 billion.

I am told that 67 per cent of this deficit in British Columbia is caused by the loss of federal transfer payments. This federal government is creating that deficit, the very government that says it is against

deficits. Its cuts to Established Programs Financing and the Canada Assistance Plan are responsible to a very large degree for this debt.

I should say that our new finance minister, Mr. Glen Clark, who happens to be the MLA for Vancouver—Kingsway has predicted that the total Canada Assistance Plan cut to British Columbia over five years will add another \$1.2 billion to the deficit.

No matter how you look at it, that is putting a terrible burden on provinces that are struggling with economic hardship and whose people are suffering unemployment.

Ontario, of course, no longer is the rich industrial province that it was. We all feel very strongly for what Ontario is going through these days with the recession and now de-industrialization, plant closures and massive job lay-offs.

The federal government is hitting on Ontario the hardest and it is doing it in, I must say, a punitive way that has a very strong political component to it. When it is down there and in economic crisis with terrible rates of unemployment, the federal government, instead of increasing funds for social service programs, is again cutting them drastically. It is inconceivable that we could be doing this, especially when we can get funds from the sources that I mentioned.

This is a huge burden for provinces, Alberta as well. The only thing they can do then is to cut social services and cut funds for job creation that should be there, and have their debts increased.

The federal government has abrogated its responsibility under the Canada Assistance Plan. For many years this has been a federal cost-shared program and it is something that I am sure Canadians would want to maintain.

The impact on families, of course, is the real tragedy because as this shift down the line with cuts from provinces to municipalities and others, then non-profit agencies cannot provide the services because they simply will not have the funds to do it.

So we have more people on welfare without support services, wage-earners who are getting increasingly depressed and people who are employable and have worked all of their lives on welfare for the first time. The sense of failure and hopelessness that goes along with this soon makes people unemployable in the future. They have no money for their kids. There is stress on