

Government Orders

It would not be appropriate to allow this debate to pass without at least talking about my province of British Columbia. Much of what I have to say would also apply to the province of Ontario and what the NDP government is facing there.

It is important that we think about the kinds of things that were put forward by the B.C. government's Minister of Finance and Corporate Relations, Glen Clark, prior to introducing his budget in British Columbia. He had comments about the Established Programs Financing for health, post-secondary education, the Canada Assistance Plan and other programs.

Glen Clark's paper detailed the actions of the past Liberal and Conservative federal governments and the impact they have had on the British Columbia budget, which just came down a week and a half ago. It is shocking. The combined effect on British Columbia of the off-loading measures implemented since 1982 will be \$1.1 billion in 1991-92. This is in a province that is now facing tremendous unemployment, particularly worsened by the recent softwood lumber tariff.

The \$1.1 billion in 1991-92 is equivalent to 67 per cent of the estimated 1991-92 budget deficit of \$1.7 billion in British Columbia. Yet when the B.C. Minister of Finance, Glen Clark, brought down his budget, he kept the faith of those less fortunate in the province and maintained payments for welfare, health and education in the province. They were still the priorities of the provincial government.

You can imagine it was very, very tough with those kinds of cuts. Others had to pay the price because this government off-loaded its responsibility onto the British Columbia government.

If the current off-loading continues to the first year of the new century, the negative fiscal impact on British Columbia from the fiscal years, 1991-92 to 2000-01, will be \$32.7 billion. To be more specific, the impact of the Liberal and Tory changes to the Established Programs Financing funding formula will result in B.C. losing \$6.8 billion by 1994-95.

The B.C. report of Mr. Clark notes that Canada Assistance Plan benefits are used to assist people, not governments. In 1991-92, \$166 million will be lost to British Columbians due to the five per cent growth ceiling, and more than \$1 billion by 1994-95.

The question has to be asked. Why does this government feel the need to off-load on the provinces? It seems to be a failure on the federal government's part to exercise prudent fiscal management, and it has caused a serious debt problem for this country.

The federal government wishes to avoid visible and direct association with the severe measures it has implemented to restore its financial health. It off-loads those problems on to the provinces. By off-loading, it delivers tax increases and service cuts to the public indirectly through the provinces. They throw up their hands and say: "But we're keeping faith with the people". I say this government is not keeping faith with the people. This government is dumping its problems into the backyards of every Canadian in this country.

Under the Canada Assistance Plan, the federal government is required to provide funds to the provinces and territories on a 50/50 cost shared basis for social assistance and social services. I might add, that includes child care. However, in 1990 and again in 1991, this Tory government unilaterally amended the Canada Assistance Plan Act by restricting increases in federal contributions to 5 per cent for the three have provinces of Alberta, Ontario and British Columbia. What would happen if you or I made an agreement with somebody to do something and then reneged half-way through the deal? Well, if we were dealing with our friendly bank, you can be assured we would not be happy. You and I would be in big trouble.

• (1620)

However, this federal government blithely and continuously reneges on a deal it has made with the provinces. It defies its own legislation, much less its own commitment. It withdraws its support and commitment by capping the Canada Assistance Plan and the EPF payments.

Then we have hon. members like the hon. member who just spoke for the government side, who get up and try to tell us Canadians are doing better, even though they have in fact cut back \$3.3 billion on that original commitment.

It is similar to the situation of one person having a commitment and owing another \$3,200. That person reneges on the \$3,200 and the projected commitment, and comes back and says: "Well, I have decided I cannot afford it and I am going to let you carry the loss". That is not too difficult to understand. Most Canadians will see