

What effect will this have on provincial Governments in Canada? All the provinces will receive less as time goes on and they will have to make that up through additional taxation. However, the federal Government has already imposed some of the highest taxes ever paid in Canada by small businesses and individuals. The provinces are left with very little room in which to manoeuvre and impose more taxation to make up for the funds which the Federal Government has decided not to pass on in the traditional spirit of federal-provincial co-operation.

The Government promised to do so much for Canadians and to turn Government in Canada into one great paradise. The Government made 338 promises, but it did not promise to do this. As well as breaking promises which it made, the Government is doing things it promised not to do. Perhaps in future political campaigns we should consider the Conservative platform to be those things which it says it will not do. Through Bill C-96 the Government is passing the buck to the provinces. My own Province of Ontario is being passed the buck to the tune of nearly \$3 billion.

The provinces will now have to consider how much money they can afford to pass on to the municipalities. Every provincial Government will have to consider its financial status as a result of this Bill. The provinces are responsible for looking after their own municipal affairs. Where will the municipalities get their funds if not from the provinces? There are two choices. Services which affect the every day lives of Canadians can be cut back at the municipal level or municipal taxes can be increased. That will affect every Canadian at the local level.

Bill C-96, which cuts back on the established programs funding, will affect the livelihood of every Canadian through the federal Government, the provincial Governments, and the municipalities. Greater pressures will come to bear on local aldermen, municipal councillors, reeves, mayors and so on. They will have to bite the bullet because the federal Government has let the provinces down. The provinces have very little room in which to increase taxes because the Minister of Finance has already taxed small businesses and individuals to the extent they can afford it, and often further than that.

The worst thing that a political Party can do during an election campaign is to make a whole lot of promises which it knows it cannot keep. The second worst thing it can do is to do things it promised it would not do. Quite often the things they say they will not do affect the public far more than the things they promise to do. A candid observer would have to agree that the Minister of Finance made the biggest flip-flop in his policy thinking of any member of the Government. That is obviously why he qualifies to be Minister of Finance in the Government.

• (1310)

Here is another statement the Minister of Finance made in the House of Commons on March 24, 1982. He said:

Federal-Provincial Fiscal Arrangements Act

Taking the action of unilaterally cutting the financing, which the government is now proposing, and then having some discussions with the provinces, surely puts the cart before the horse. We should be reversing this procedure.

The Minister used the word "reversing". When we look at Bill C-96, which is taking billions of dollars in transfer payments away from the provinces, we can only say that he has forgotten his reverse gear. He is going ahead in the opposite direction. He is taxing all Canadians to the hilt and at the same time cutting back on transfer payments.

This action will also affect transportation facilities in Canada. The provinces and municipalities will have fewer dollars to spend on those important facilities for their constituents.

Medicare is going to become more and more important as time goes by because we are going to have a larger number of elderly Canadians in proportion to the rest of the population.

Dealing with post-secondary education, not only young people are going to university today. Many people in their twenties, thirties and older are going back to university. This means the number of people attending university has increased considerably. These people have seen the need for a higher and possibly more specialized education. Therefore, the Bill will affect people of all ages in post-secondary education.

As well, the federal Government promised a 6 per cent real increase in defence spending. It was going to honour commitments to NATO. Yet we have seen in the Budgets of the Minister of Finance as well as his Economic Statement of November, 1984, that there is no intention to keep the commitment to NATO because the Government will be unable to meet a 3 per cent annual increase in real defence spending over the life of this Parliament. Yet Members opposite campaigned on a 6 per cent real increase.

The Minister of National Defence (Mr. Nielsen) had a committee roving around visiting DND bases and looking into the educational system for dependants of military personnel. The Government wants to cut back on expenditures there as well. In certain areas, where the Government feels a school for military dependants is not justified or it simply wants to cut spending, it will transfer those dependants to a civilian school. This is again shifting the responsibility from the federal level to the local municipality. That municipality is also, of course, financed to a large extent by the provincial Government concerned. I have been getting letters from parents of these children in Shilo, Manitoba, as well as from civilian personnel, who are really concerned about what is happening to their school system. They have been asked to send their children to another school several kilometres away. I think that is inhuman and unnecessary, particularly at a time when transportation and educational costs are so high.

What about housing for senior citizens? What is the budget of CMHC like today for joint financing with the provinces of those facilities? How much money will Ontario have in this area when the federal Government is cutting transfer payments to Ontario by \$3 billion over the next six years? This is