

Members of Parliament will recall that until 1977 the federal Government encouraged and supported, through cost-sharing arrangements, a number of activities in fields which had very important and beneficial effects on most Canadians. It cost-shared post-secondary education programs, it cost-shared the provisions of our universal medical insurance and hospital insurance plans. Essentially, the federal Government paid 50 per cent of the cost of those programs. Because the federal Government offered to pay 50 per cent or more of those programs, the provinces were encouraged and induced to become much more involved in post-secondary education, to establish universal medical insurance plans and universal hospital insurance plans.

Great progress was made until 1977, when the Liberal federal Government unilaterally moved from the cost-sharing programs, under which it paid 50 per cent or more of the cost of post-secondary education, hospital and medical insurance, to block funding. Members of the New Democratic Party were the only Members of Parliament who opposed the Government's plan to move from the former costsharing arrangements to block funding. We did that because we felt that if the provinces were not required, as they had been under the old programs, to match the funds provided for post-secondary education, hospital insurance or medical insurance on a dollar for dollar basis, many of the provinces would use the money available to them under the block funding system for other purposes.

The other thing we knew and tried to point out to Members on the Government side and in the Official Opposition was that if the block funding provided less funds in the future than it had in the past, if the cost of post-secondary education increased by more than the federal Government proposed to give, the provinces would be put in a very difficult situation. They would either have to find extra money to maintain the level of services being provided, or they would have to cut back on the services. The other alternative for the provinces would be to increase the fees which students paid. We pointed out that these things would happen, and on the basis of what has happened since we are sorry that our predictions of the dire consequences were proven well founded.

What we are debating in this Bill today is the intention of the Government to limit its increase in financing for post-secondary education to 5 per cent in the coming year. If we were still operating under the policy that existed before 1977, the increase this year from the federal Government would have been 11 per cent rather than the 5 per cent the Government proposes. The effect on post-secondary education and on the provinces is, has been and will be disastrous.

Most if not all provinces are already faced with very substantial deficits. The first two years that the present NDP Government of Manitoba was in office it tried to maintain the standards for post-secondary education which had previously been established. Increases for post-secondary education in the first two years it was in office were substantially more than 10 per cent. If my memory serves me correctly, it was 16 per cent in the first year and 11 per cent last year. The Province of

Manitoba is faced with a very large deficit because of the recession and the resulting drop in revenue which all provinces have experienced. This year the province is saying that the increase to universities and community colleges will have to be limited to 3 per cent. Everyone knows that this will have a very adverse effect on post-secondary education. The province has no alternative. To a large extent it has been put in that position as the result of the policies of the federal Government, unilaterally decided upon, which led to a situation where the provinces simply cannot find the money to maintain the standard and quality of service they have enjoyed up to now.

We are told that this limit on the amount of funding that the federal Government would contribute to post-secondary education at this time was necessary because inflation had to be brought under control. For the time being inflation is under control but one of the serious consequences of the policies of restraint is unemployment at an all-time high—higher than it has ever been since before World War II. There are 1.5 million people or over 11 per cent of the Canadian work force unemployed. Almost 20 per cent of young people in the work force cannot find jobs.

May I call it one o'clock, Mr. Speaker?

**Mr. Deputy Speaker:** Order, please. It being one o'clock, this House stands adjourned until two o'clock p.m.

At 1 p.m. the House took recess.

#### AFTER RECESS

The House resumed at 2 p.m.

### STATEMENTS PURSUANT TO S.O. 21

[English]

#### NATIONAL REVENUE

##### SEIZURE OF SENIOR CITIZEN'S BANK ACCOUNT

**Mr. John McDermid (Brampton-Georgetown):** Mr. Speaker, there is a sad case in my riding where Revenue Canada not only has shown no compassion or understanding, but has cruelly and without warning closed out a senior citizen's bank account. When my constituent retired in 1982 he received a lump sum payment from which income tax was deducted. This money was used to put a new roof on his home. Unfortunately, the lump sum payment put him in a higher income tax bracket, and he was informed that he owed Revenue Canada an amount just over \$1,000.

As an honest tax-paying citizen, he approached Revenue Canada to make arrangements for the payment of this debt. Revenue Canada agreed that this debt could be met by payments of \$50 per month. Just prior to Christmas, and after two monthly payments of \$50, this gentleman went to his bank