

*Government Orders*

of the GST and we will get economic prosperity going again in this country.

I am from the province of British Columbia. I want to say a little bit about the off-loading by the federal government and how it is affecting my province.

The member for Brant spoke a few minutes ago about how it is affecting his province. He said, as I recall, that a part of the provincial deficit in Ontario, the budget deficit, perhaps up to half of it came because of the cutbacks in the federal transfer payments.

I know that in my own province, as the finance minister of British Columbia, Glen Clark, has said, that the cutbacks, the off-loading measures implemented since 1982 in B.C. have been \$1.1 billion. This is equivalent to 67 per cent of our estimated budget deficit of \$1.7 billion in British Columbia.

• (1650)

We have a deficit in British Columbia because we had to clean up from the Socred government which mismanaged the provincial finances. Social Credit was a coalition of Liberals and Conservatives for those people from outside of B.C. who may not realize what it was. It was a Liberal/Conservative coalition. Not only did it mismanage, it would not even tell the people the truth of what was happening to the provincial finances. Now that we have got to the bottom of that we realize what is happening.

I cannot speak for Ontario, but I was listening to my friend from Brant and my other friend from northern Ontario, of the NDP, speak a few minutes ago.

I began to wonder, in Ontario there are tremendously difficult times right now because of the free trade deal and because of the changes that are going on in that economy. So our friends in the Conservative Party are saying: "Just abandon the workers and abandon the people who need some help in these difficult times". You cannot do that. You would have riots in the streets if you did that. You would not have a peaceful province.

I might tell the member for Brant, I was thinking about this in a broader context. What was happening when Ontario was doing well in the 1980s? After that short recession you will recall in the early 1980s, then

Ontario did very well. That is the time the Peterson Liberals were in power, as I recall.

It seems to me that government does have some obligations. It should not have been spending so much. That was Liberal mismanagement in Ontario that time. If it had saved some money, then in the difficult times, it would be more credible for a government to say: "We can spend money now".

That is straight Keynesian economics. You prime the pump when the times are bad, when private investment is not there, making sure the recession is not that bad. Then when times are good and the taxes are flowing in, you put it away. That was the basis of the kind of economics that got us out of the Great Depression and World War II.

**An hon. member:** It got us into the present mess.

**Mr. Ian Waddell (Port Moody—Coquitlam):** My friend says it got us into the present mess. No, that is not true. You save in the good times and spend in the bad times. The Liberals forgot to save.

Now I wanted to talk about how this affects my own province of British Columbia. I have just said that how the off-loading measures have meant about 67 per cent of our estimated budget deficit. It has really caused that and that is one of the reasons we have that deficit.

Yet, I think that the B.C. Minister of Finance, Mr. Clark, maintained the faith with those who were unemployed and those who were in difficult situations and brought forward a good budget. He has been criticized by the Liberals in the province of British Columbia, but he kept the faith unlike previous Liberal governments or the Liberal/Conservative coalition known as Social Credit.

The established programs financing, the impact of Liberal and Conservative changes to that program will result in my province of British Columbia losing \$6.8 billion by the end of 1994-95. These are great sums. I want to give a little bit of the background here.

Under the Canada Assistance Plan, called CAP, 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 including child care, social assistance and welfare.