

Government Orders

We have not taken our responsibilities and walked away from what we all consider to be a very important issue.

Mr. Milliken: You have shirked them completely.

Mr. Holtmann: The member says we have shirked them. I have just talked about the billions of dollars going into this program, and that is shirking. To the ladies and gentlemen who watch the opposition from time to time in this House, this bill does exactly the opposite as was suggested. It does renew what we intended to do, and that is to assist provinces which are far less affluent and far less able than others that are very industrious, such as Ontario, Alberta and British Columbia. It concerns some transfers which we agree need to be done.

The renewal follows more than a 20-month consultation with the provinces at both official and ministerial levels. We have engaged in significant consultation on the preparation of this bill. It was not done totally in-house by the Minister of Finance. There was a lot of consultation and it took a long time. We have what is generally an agreement, although the opposition members will scream and yell, as they do every day, that the Government of Canada has not contributed enough money.

As long as I have been here, since 1984, it has never been enough money. They always have demanded that the government indebt itself further for this particular program. Our Minister of Finance has taken a most reasonable approach without significant cutbacks to continue what we as Canadians feel is a very important part of our Constitution.

I believe hon. members will recognize that it was important to get the equalization renewal right. Now it is important to get it done. Our very real deadline of March 31, when the current five-year program expires, tells us that this particular bill will and shall go through.

This bill also proposes to confirm that the government has the authority to enter into agreements with the provinces to improve and simplify tax administration in this country. There is no argument, I am sure, from any member of this House that the taxation system does need revamping because it can be extremely cumbersome. The bill will therefore facilitate co-operation between federal and provincial governments in mutual

administration and enforcement of each other's taxes, and will simplify the payment of taxes for taxpayers and government.

Let us talk about equalization, which the hon. member from Halifax made a major statement about, concerning how it affects her particular region. Honourable members will be aware that the commitments of equalization payments which are enshrined in section 32(2) of the Constitution exists so as to enable provincial governments to provide reasonable comparable levels of public service at reasonable comparable levels of taxation.

This is paramount as a country that wants to stay economically sound and allow opportunities to exist from coast to coast and within the territories. I believe that our commitment to continue in the way we have demonstrates in a very formidable way that we are prepared to continue that to the benefit of Canadians.

The benefits of equalization programs flow to the less wealthy provinces and it is therefore the most progressive of major transfers to the provinces.

In 1992-93 the government will provide about \$8.5 billion in equalization payments to less wealthy provinces. To anyone watching this today on TV, that is a huge amount of money at a time of recession, which we are hopefully now moving out of. It is not a lesser amount, but a greater amount than was previously given to the provinces in this program.

Let us take a look at my province, for an example. The member for Halifax mentioned her province. I am not going to stand up and say that our province would not have liked to have received a little more. I see my colleague from Winnipeg is likely going to jump up and ask why his province did not receive more. He will say that I, as a Manitoban, should be demanding more from this government. I am also a member from the province of Manitoba who sees common sense apply, and not the attitude of grabbing the money and leaving the deficit to somebody else or to our children. We want common sense to apply. The Manitoba government, by the way, does not fare too badly under the present arrangement as proposed by this bill.

Our growth rate was 6 per cent since 1984-85. We will expect to get this year \$1.9 billion into the provincial coffers, which is 40 per cent of all of Manitoba's revenue. The federal government plays a major role in the