

Supply

That reminds me of somebody who stands on one leg and hops to the other. This is the backward gymnastic verbal flip-flop of all time.

Mr. Peterson: No principles.

Mr. Axworthy (Winnipeg South Centre): The budget is a disgrace because it does not address unemployment. It does not address the health care costs. It does not even address what should be the great touchstone of Tory philosophy, how to deal with the deficit problem, how to come to grips with these costs. It just says business as usual and the only answer is cut back more.

• (1040)

There is a fundamental economic logic that somehow escapes the Minister of Finance and his colleagues. That is if you have a million and a half people unemployed, drawing down unemployment insurance at \$19 billion a year, increasing and escalating welfare costs, increasing social costs, no revenue coming in, your deficit problem is not going to be solved. Deficit problems are solved by getting people back to work, generating income and revenue and tackling the problems in an innovative way.

We hear none of that. What we hear is the fantasy land prophecies of the Minister of Finance, of which we have had nine years of projections, every one of which has been wrong. However that was not good enough because the Minister of National Defence and the Minister of the Environment say that even the Minister of Finance is wrong and they can solve this deficit problem by slashing expenditures by 20 per cent or 30 per cent a year. This will bring our unemployment rate to 15 per cent or 20 per cent and we will have revolt in the streets. That is their solution to the economic crisis.

When I saw that picture of the Prime Minister in Disneyland with Mickey Mouse I realized where the Conservatives get their economic policies. They go to fantasy land to find them because they certainly do not consult anybody who has any economic good sense.

An hon. member: I felt bad for Mickey Mouse.

Mr. Axworthy (Winnipeg South Centre): If they pay for their ticket to get in, Mickey has to consort with all kinds of people.

Let me just draw your attention to ways in which we could provide innovation. What is the government doing once again in the budget? Slashing regional development

funds, betraying the fundamental principle that the federal government has a responsibility to distribute economic opportunities fairly across the country.

What it ignored is the opportunity to have a brand new approach to regional development, to begin working with the regions at a new level of economic co-operation to bring about joint projects, to bring about savings by bringing down barriers and to have a combination of activities that would result in cost savings to government.

As some members of this House know, for the past two years I have been out promoting the notion of western economic co-operation so that we can find some ways of redeveloping the western economy to take advantage of the new opportunities in the Pacific and other areas. Along the way we said that we could generate a brand new level of economic activity.

The proof of that thesis, of that idea, is now seen in the numbers that were prepared by the Canada West Foundation, a very respectable group out west. It points out that if the federal government took the lead on regional co-operation, it could generate a dividend of \$5 billion that would bring about a substantial reduction in our deficit. This would create 28,000 new jobs that would allow us in the health care field alone—listen to this. The Minister of National Defence wants to have user fees, but what we could be doing if we had joint procurement and rationalization of our health care system, according to the Canada West Foundation, is save \$600 million, far more than anything that would be acquired by the user fee philosophy. It would be a way of creative government, smart administration, effective management and real leadership.

That is the problem with this budget and why it is a disgrace. There is no leadership, there is no creativity, there is no imagination, there is no political will to come up with answers that really meet the—

The Acting Speaker (Mr. DeBlois): Five minutes of questions or comments.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I listened very carefully to both my colleagues when they spoke to the motion on the floor concerning the budget that was presented last week by my colleague, the Minister of Finance. It was interesting what they mentioned.