

*Government Orders*

The earlier point raised by my friend across the way, again it is the same old story, that transfer payments are going down. I hate to strike him down with the facts, but I am going to have to.

In 1991-92, transfer payments totalled \$37 billion from the federal government to the provinces. Next year, according to the government's own fiscal plan that will go to \$38.9 billion. The last time I looked \$38.9 billion was more than \$37 billion. I guess that means it is an increase. Actually, it is an increase of 5.1 per cent which is an increase greater than the hon. member's wages or mine are going up. The government is year over year offering an increase to the provinces.

**Mr. Howard McCurdy (Windsor—St. Clair):** Mr. Speaker, I listen to these debates and participate from time to time. Sometimes I find it absolutely disgusting. I want to take an example. My hon. colleague who just finished speaking has followed the typical Tory line that the transfer payments have not been cut.

When somebody indicated that year by year what increases in the dollar amounts were accorded were diminished and neutralized by a high inflation rate at a cost and dollar basis, no such claim could be made. Do you know what he said? He said the inflation rate is 2 per cent. That comes so close to being a deliberate untruth. He knows that the inflation rate in February was 1.7 per cent and it may be 2 per cent now. That is not what it was in 1985, 1986, 1987, 1988, 1989, 1990, or most of 1991.

• (1650)

My point is that we have an obligation in this House to be honest with the taxpayer.

I remember when I first came to this House, we heard from the beginning of this government taking office about the deficit, about the bottom line.

This is a government that came into power as the partner of corporate Canada. There is nothing wrong with that, although you say that the difference between this government and the New Democratic governments of British Columbia, Saskatchewan, and Ontario is that they do not just represent the corporate sector. What bothers them more than anything else is that it is conceivable that a government would try to be even-

handed with respect to the interests of labour and ordinary people and small business, as well as being concerned about the interests of the large corporations, the international corporations.

There was an interesting similarity between this government's attitude and the attitude of North American corporations and their management which has led to the failure of both for too long.

It is that they looked at the bottom line as a short-term thing. The deficit was looked at as a short-term thing, just as the profits of the major automobile corporations, the other manufacturers were looked at as a short-term thing.

When I came into this House I said that this government has to think as our corporations have to think about long-term things. It is ridiculous to cut social programs and education and all of those things without being conscious of the impact in the long term.

Most particularly at that time I said that the deficit would get worse and worse. I could not have anticipated the free trade agreement at the time or the high value of the dollar but I said then that the deficit would become worse and worse as Canada lost its competitiveness. At that time I was talking specifically about Established Programs Financing and what was going on at that time.

I remember the Prime Minister saying at that time that if we were going to become part of the major league in the new global competitive economy that we were going to have to improve education, improve research and development, improve our technological performance.

I also heard him say that the federal government and the provinces were going to have to agree that there would have to be stipulated responsibilities for each government with respect to EPF particularly for post-secondary education. This would ensure not only that those governments would fulfil their responsibilities but that funding would also be maintained at the level which would support the post-secondary institutions in this country.

We have subsequently heard about a new emphasis on training and education that both hon. members mentioned during the course of their discourses.