

by following the easier path. Throwing money at programs is easy.

I believe the social role of government is determined by clarifying priorities, responding to the give and take as governments attempt to pay for increasingly costly social programs while coping with the ever diminishing economic base.

However, in the motion before us today there is no appearance of a give and take, merely an arbitrary dole, a short sighted, stop gap solution.

Canadian welfare and social programs were designed on a premise of high employment. Therefore, social programs and economic policy are mismatched. Given that the overwhelming need for social support is the direct result of the poor economic health of the country, tinkering with pieces of social policy will not help. However, changing our economic policy will help.

• (1630)

If a room is freezing because of frigid air coming in through a broken window, we do not turn up the heat; we fix the window. So it is with this motion. We are turning up the heat when we need to fix what is broken.

It is the unhealthy fiscal policy of this government and that of previous governments which are causing such a strain on our social programs. As the debt has grown interest payments have consumed an increasing proportion of the government's spending. They now constitute an enormous strain on the treasury. In 1974 they consumed only 11 per cent of the government's spending but today they consume 25 per cent. That is \$40 billion from the treasury which go to interest payments on the debt. That, not coincidentally, is about equal to the federal deficit.

The point I am making is one given to us by the Auditor General: "In 1992 in an age of scarce public resources and growing debt, seeking ways to see that things get done by or through others rather than spending money to do them becomes increasingly important". Are we not ever going to hear the wisdom of those words as we apply mental energy ever seeking answers to the pressing social concerns of the day?

I ask the question: What will it take? I know courageous leadership is part of the answer. A government that listens to its people is made stronger and can deal more effectively with tough issues.

However, the Bloc motion puts more emphasis on spending to relieve an overburdened social system. I cannot support that. However I support greater financial sustainability over the long term. This requires a new commitment to sound, long-term financial management.

Another important question now needs to be asked: is it better to help households obtain adequate housing by directly providing the housing or by assisting them to increase their incomes?

Supply

This means fostering an environment in which people are able to work. It is critical that we maintain federal spending at current levels for high priority functions, including labour force and training and adjustment programs.

It is also necessary that provinces have the freedom to distribute federal funding and manage their own programs. This comes back to my earlier comments about priorities. Maintaining federal transfers to provinces remains key in terms of preserving those programs targeted to those in need. I believe that public money should be regarded by governments as funds held in trust and that governments should practise responsibility, particularly the responsibility to balance expenditures and revenues.

We need to see significant spending cuts that are judiciously planned for the long term. I applaud those moves by the government to withhold funding support for programs for which there is no long range plan or strategy for the expenditure.

In conclusion the choices and decisions we must make have to be so clearly laid out before every Canadian so that all of us understand where we are going and what it is going to take to get there. This is my challenge to this House and to the Bloc Quebecois on its motion.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve): Mr. Speaker, I thank the hon. member for her speech, but I must admit to having some difficulty understanding the underlying logic. I say this in a very cordial way, because I do appreciate her input in this debate and I would like to ask her a question.

First, I noticed that she makes no difference between social programs and housing when, in my opinion, a distinction should be made. I will come back to this later in the 20 minutes allotted to me. My question is: Does she not feel that when the government intervenes in the housing sector, it becomes a job-creating sector? It is a sector where, if we invest public money, we get an interesting return on our investment.

• (1635)

I do not know if the hon. member contacted the Co-operative Housing Federation of Canada. This organization conducted a very extensive and competent review of this issue and came to the conclusion—corroborated by American studies—that every time the government invests to build a co-op unit, 2.2 jobs are created.

This example illustrates how social programs reform and social housing cannot be put on an equal footing. With all due respect, I must tell the hon. member that her speech did not reveal a great deal of social understanding, because when we discuss public finances, we cannot simply reason like an accountant trying to balance revenues and expenditures.