[English]

Mr. Breitkreuz (Yorkton—Melville): Mr. Speaker, I appreciate the comments but I cannot agree with the analysis here. If one had a horse missing one leg of course one would not buy a wooden leg or prosthesis for it. That is not going to fix it but that is what this government is trying to do. It is tinkering with the system.

It is making little changes here and there. It is like putting a wooden leg on a horse. It is not going to win any races and that is the same with the programs that it is trying to tinker with, trying to change. It is just like putting a wooden leg on a horse. We cannot do it that way. We have to establish some sound principles. We have to decide what is important. Is this an insurance program or is it a welfare program? That is the basis on which we should put our UI program.

• (1615)

I do not believe in penalizing people and hurting them. We have a welfare system in place. It has a certain job to do. Let us make sure it is doing the job and let us make sure the UI insurance program is doing its job.

I quoted the numbers. I do not see how anyone can argue with them. Employees contribute over \$8 billion.to this program. Employers contribute over \$11 billion. Just think what we could do with that money if we left it in their hands and let them administer these things. We would not have the problems we have now. However, when government gets involved it takes \$5 to do what someone in the private sector would only take \$1 to do. That is the key thing we have to remember in all this. We can argue all these fine little details but we need to make some wholesale changes.

Mr. Andrew Telegdi (Waterloo): Mr. Speaker, let me start by addressing the comments made by the previous speaker from the Reform Party.

Part of his comments were that municipal governments, local governments are closest to the people and they are best able to make choices in how we might run the country. The inference was to let them have more say in how federal government moneys are spent and let us try to do more to co-ordinate.

I have absolutely no problem with having that take place. I think co-ordination of effort by all parts of government is something that would be very cost effective and it would serve the people and all local governments very well, as well as the provinces.

Let me draw a little more on my municipal experience. I spent eight years with the regional municipality of Waterloo and the city of Waterloo. Somehow there was a better focus on debate.

Government Orders

There was a better focus on trying to do what was best for the citizens of the community in a lot less partisan fashion that happens in this House.

Being in the House today and listening to some of the debate on Bill C-17, as well as having been through question period, the amount of sanctimony coming from the opposition as well as the non-official parties is bothersome.

I heard references that go back to the 1972 Liberal government. I am part of the class of 1993. In 1972 I was not involved in partisan politics. I know what happened in 1972 but some of the programs that government came out with in 1972 are really not applicable today.

Let me read something for members. I am going to quote very briefly from a presentation made to the Conference Board of Canada by the chief administrative officer of the city of Waterloo, Mr. Bob Byron, with whom I had the pleasure of working. I found him to be a new breed of civil servant, a new breed of manager. I can say that Gerry Thompson, who was the chief administrative officer at the region of Waterloo, is also of the same mould.

He talks about governments and how municipal governments are experiencing severe reductions in sources of revenue. He states: "To compensate Waterloo has significantly reduced its workforce and actively pursued lesser cost activities. However, these are short term measures and further effort is required to achieve long term permanent savings.

• (1620)

Traditionally local government has looked first at its expenditure requirements and then at where the revenue would come from to support the expenditures.

What needs to be done is to look at what revenues are available and then decide how expenditures can be controlled to fit the resources available.

I believe that simply raising taxes is counterproductive and serves only to create additional hardships on businesses and individuals faced with prospects of little or no growth in their revenue potential. Reduction in service or service level which tends to alienate the taxpayer is not a solution. The solution lies in productivity gain and lowering of costs".

Certainly from the municipal perspective in Ontario that is a very good and prudent approach.

One thing that the municipal government does not have to do in our system in the Waterloo region is to offset the cost of high unemployment. The municipal government in our jurisdiction does not pay for social assistance. The regional government does. It has a different approach. Because regional governments have to pay 20 per cent of the welfare costs, when their budgets