

Government Orders

give them the same money, we gave them 3 per cent more than last year, which is not what the Economic Council of Canada is recommending. Did my hon. colleague who just spoke say that was good or bad? No, he did not talk about that.

Another recommendation was that the indexing factor for family allowance be cancelled. I did not hear my hon. colleague say that he agreed with that. He must, I guess, because he brought out this book and he quoted the recommendations so I have to presume he agrees with that philosophy of deindexing family allowance. Well, that is not a policy that we espouse. It is not one we are following but it seems, since he wanted to use the reference, that he must agree with that.

The book talks about the freeze on the hiring of federal public servants. Of course, Mr. Speaker, as you know, in this budget we in fact are reducing the number of employees by some 1,000 over-all. So we have done some of the things recommended here and some we do not quite agree with, because it is not fair to out and out freeze transfers to the provinces.

My colleague did refer to the good province of Ontario. He and I are both residents of the province of Ontario and we both represent constituencies in this province. He proceeded to compare the government we have here in Ottawa with the government that exists in Toronto. He talks about competence. I am not going to suggest that either government is incompetent. I think there are elected officials in both jurisdictions trying to do the best they can with the resources available.

One of the differences is that the Liberals in Ontario inherited a government which, for 42 years, had been well managed. They did not inherit a budget circumstance where 50 cents of every dollar that was being spent was borrowed money. We had a deficit of \$38 billion federally versus a deficit of some \$1.5 billion provincially. He did not seem to want to mention that that really changed the lifestyle.

• (1710)

He talked about the budget surplus in the province of Ontario. I am a resident here and I recall how the Ontario Treasurer really raised the roof that our supposed cut-back in transfer payments was going to desperately affect his budget. Well, they were able to increase their spending by 6.8 per cent while we held

ours to 3 per cent. What was the matter with them? Why did they not hold their spending to a 3 per cent increase? They were able to do 6.8 per cent more even though, he argues, we cut their transfers by \$490 million.

As you know, we did not cut their transfers. They got more money than they got last year but, having said that, they still increased their spending by 6.8 per cent. I am happy that they were able to have a budget surplus this year. That is the way it should be. But did you hear him mention the employer health tax that was put in place across the province of Ontario? I do not think you did. Although that tax was in last year's budget it came into effect this year and that employer health tax in fact is an added burden on Canadian industries substantially in excess of what they were collecting through the old OHIP premium basis.

The member talked about the federal civil service. We have reduced our civil service by 12,000. The province of Ontario has increased theirs by 8,000. We went down 12,000, they went up 8,000. Ontario only had 83,000 civil servants so it only took it five years to increase it by 10 per cent. Having increased it by 10 per cent, is the service the province of Ontario is providing better and more efficient than what was in place five years ago? I can honestly and very comfortably say to you, Mr. Speaker, that it is not better.

In fact let me give you some very clear examples of where it is worse. The whole morale in the system has been destroyed. There is a psychiatric hospital in my constituency. It used to report to one minister and one ministry for its funding, its programs and the delivery of its service. It now reports to three different ministries, three different deputy ministers, and the end result is that it cannot get any decisions out of any one of the three. The whole morale and service of that hospital is suffering badly because of that kind of inequity.

All right, the government is spending more money in Ontario. It is kind of proud of what it is doing. Last year it provided funding to the school boards in my constituency to allow them to build, in the region of Durham, some five new schools. This year it is giving them not one dollar for capital construction. One might argue that maybe my constituency does not need more schools. I should advise you, Mr. Speaker, that today as I stand here debating this issue we have over 200 portable classrooms in my constituency. At this time next year,