

Government Orders

Nations. It is not deficit spending that will allow this to happen.

With those few words I hope that I have brought some sense to the argument on Bill C-60. I want my colleagues to know that we can take some criticism from time to time, but for goodness' sake do not stand up and say: "You should throw more money at it. It is not enough. It is too little too late." I have heard every story going in here; it is always too little too late. We still have a fairly good economy. We have a lot of unemployment, there is no doubt about that, and it is serious, but we believe that this too shall pass if we stick to the way our finance minister has set out for us. It may need adjustment from time to time, but it is not a Liberal adjustment. It will never be a Liberal adjustment. It may be a Conservative adjustment.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to pose a few questions to my colleague.

The member started by saying that the intention of his government is to assist provinces. The government, over the last many years, seven years at least, has failed to assist provinces. If provinces had been assisted there would be no cry from provinces about the actions of this government. The facts speak for themselves.

The hon. member then indicated that this is a renewal and that the equalization provision is enshrined in section 32(2) of the Constitution. Is he telling us that he can refuse to proceed with the equalization payment? Is he telling us that the renewal of the equalization payment is a gift from this government? I submit that this government has no choice. It has to proceed with the equalization payment because it is enshrined in our Canadian Constitution. Do not give a false impression that this is a gift from this government. It has not done enough. That is the issue at this time.

The member was speaking about common sense. Common sense tells us that we should take into account excellent studies done by the Senate of Canada. The Senate study of January 1991 on the poverty issue indicated that if you spent some \$5 billion today to help the poor children and youth in the country you would be able to recoup some \$33 billion two decades later because we will be able to prevent some school dropouts across the country.

The hon. member from the government side would say that is deficit spending. I do not think he understands the difference between deficit spending and investment. In both instances it may well be that you may have to borrow money, but deficit spending is when you spend it on something out of which no good comes at the end, whereas investment is when you borrow and out of it comes excellent things, including a profit, a return.

• (1300)

The Senate of Canada has told us that if we spend \$5 billion today, in 20 years we will be able to recoup \$33 billion. By any common sense definition that will be an investment.

I would like to ask the hon. member a couple of questions. The transfer payments, the Established Programs Financing, includes both transfers for health and education. Could the hon. member indicate to the House why combine the two and not have them separate? Would he indicate to the House what the four ingredients are necessary for economic recovery that his government has failed to do?

Mr. Holtmann: Mr. Speaker, I am happy to respond to the hon. member from Winnipeg. I would like to answer his last question first.

The blueprint for economic recovery is, quite frankly, to put your financial house in order; try to get the government of this country out of its woes of debt upon debt. We have had some real growth years in those eight years. We have had great employment and we have had great industry activity, far exceeding what happened before.

We now have program expenditures in control with revenues, and that is how we influence the future development of this country. I understand by the member's statement that he is going to support the legislation because it gives the transfer payments which he says are in the Constitution. How would he dare vote against his Constitution if this is what this bill does?

It enshrines something in the Constitution. It gives Manitoba a 5.1 per cent growth rate. I am glad to hear today that he is going to support this legislation because it is going to put money in the province of Manitoba. It is going to put money in every province in this country through the payments.