

### Oral Questions

I am sure if he checked with his colleague, the former vice-chief of naval wing of the Canadian Armed Forces, he will realize the only way that could be done is by Canada acquiring nuclear submarines. Is that the position of the Liberal Party?

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### THE ECONOMY

**Mr. Joe Fontana (London East):** Mr. Speaker, my question is for the Minister of Finance.

Despite the government's bravado, Canadian consumer confidence remains at an all-time low. The government continues to ignore a plan that can create thousands of jobs for unemployed Canadians, tackle environmental problems such as water quality and improve the global competitiveness of Canada's infrastructure.

This cost-shared infrastructure program would not add to the government's deficit but would create growth, jobs and confidence that the country desperately needs.

Why is the Minister of Finance ignoring a proposal that is proactive for this economy rather than continue his government's destructive policies of unemployment and devastation?

**Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance):** Mr. Speaker, I am sure the hon. member is aware of the reference I made to strategic capital investment in infrastructure in the December statement. In this statement we announced a \$500 million fund to provide for highway improvements in all the provinces of Canada, particularly in the Atlantic region.

We announced and continue to pursue the fixed link which is worth \$800 million. We also announced a program of improving federally owned bridges and roads within the parks. We made reference to the fact that we would be improving some of our railroad infrastructure, particularly grade separations, et cetera, establishing microwave landing systems, an electronic highway.

Over the next five years these initiatives will result in \$2 billion worth of investment, creating some 4,000 to 5,000 jobs. This is clearly geared toward improving the

competitiveness and the productivity of Canadian industry.

**Mr. Joe Fontana (London East):** Mr. Speaker, the government and this minister knows that is a pittance compared to what this country needs. The municipalities and the provincial governments are prepared to work with you, sir, in order to make this country work again.

I have a supplementary question for the minister. The minister has orchestrated a federal tax revolt because it is unilaterally refusing to pay its fair share to municipalities for services that other Canadians have to pay through their municipal taxes.

I want to ask the Minister of Finance if he will lift this government's unilateral freeze on grants in lieu of taxes until after the negotiations are completed with the municipalities and new legislation is introduced?

**Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance):** Mr. Speaker, I know the hon. member's philosophy is spend, spend, spend.

What we have tried to do—

**Some hon. members:** Oh, oh.

**Mr. Mazankowski:** Spend, spend, spend, borrow, borrow, tax, tax, tax. That is the philosophy over there. No government can continue to sustain a policy of spending \$1.33 for every \$1 worth of revenue that was taken in. That could not be sustained. What we are doing here is containing—

• (1425)

**Mr. Axworthy (Winnipeg South Centre):** Cancel the helicopters.

**Mr. Mazankowski:** Well, sure, he says cancel the helicopters.

**Some hon. members:** Hear, hear.

**Mr. Mazankowski:** I am really surprised at the hon. member. He thinks that it is appropriate for servicemen and women to fly around in 35-year old helicopters.

**Mr. Axworthy (Winnipeg South Centre):** Fix them up.

**Mr. Mazankowski:** Fix them up, he says. That would be like the hon. member driving a 35-year old car. Why does he not fix his up?

**Mr. Speaker:** The hon. member for Yukon.