

SUGGESTED SALE OF PICKERING AIRPORT SITE AND CN TOWER
AND INVESTMENT OF PROCEEDS IN URBAN TRANSIT

Mr. Sinclair Stevens (York-Simcoe): Again I direct my question to the Minister of Finance. As I understood that railways were also a federal responsibility and as the current estimated cost at Pickering as it now stands is \$110 million and the CN Tower has cost \$60 million, would the minister indicate if any study has been completed or undertaken on the feasibility of selling either or both of these projects with a view to investing the proceeds so as to relieve the current chronic commuter congestion in the Toronto area?

Hon. Donald S. Macdonald (Minister of Finance): One of the conclusions that we have arrived at—and it seems to me to be a sensible one—is that one should entrust the management of CNR to the president and the officers of that corporation and let them manage. As a management decision, they have chosen to go ahead with the CN Tower, and I for one as Minister of Finance, as well as my colleagues, do not propose to lean over their shoulder and give them management direction. I say: if you have a good manager, let him manage.

Mr. Stevens: Mr. Speaker, has the minister ridden on the commuter train at rush hour going into the Toronto area so as to experience at first-hand the congestion on that service and, if so, how can he say that priority should not be given?

Some hon. Members: Oh, oh!

An hon. Member: He has a chauffeur.

Mr. Macdonald (Rosedale): The hon. gentleman is expressing a grievance. It is a condemnation which I think he should address to his friends at Queen's Park.

Mr. Hnatyshyn: Trudeau promised it.

An hon. Member: And Sharp did, too.

PROPOSAL TO USE OIL COMPENSATION FUND TO AID IN
DEVELOPMENT OF URBAN TRANSIT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Finance as well. Since the Prime Minister in his great election promise of 1974 made a specific reference to the need for more energy-conserving forms of transportation, and since the federal government has saved more than \$300 million as a result of the excessive revenue over payments that came in during 1976 from the special tax for oil compensation payments to Atlantic Canada, if we are to take the government's promises seriously, why will the federal government not allocate that \$300 million to pay for the \$290 million election promise it made in 1974 in the field of rapid transportation?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I think it has been a sound policy of the government, suggested, among others, by the Glassco Commission, in which we have sought, in the administration of public funds, to avoid earmarking sources against expenditures. In this regard we

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have reached the conclusion that we have some priorities in discharging public responsibility and we have made a decision to do that. I would remind the hon. gentleman that while it is true, under programs which have protected the eastern Canadian market against a cost increase we have been able to keep the costs down and have not had to meet the heavy expenditures because of a lower oil price increase than we anticipated. One cannot be certain about the future and, indeed, where an oil price increase might take us.

WITHDRAWAL OF COMMITMENT TO PAY PART OF CAPITAL COST
OF RAPID TRANSIT LINE TO SCARBOROUGH

Mr. Edward Broadbent (Oshawa-Whitby): Since the general manager of the Toronto Transit Commission has indicated that because the federal government has reneged on its commitment to pay 25 per cent of the capital costs on a proposed rapid transit line to Scarborough the Toronto Transit Commission will not be able to proceed with the planned project, can the minister say if the withdrawal of the commitment to pay 25 per cent of the cost is a complete withdrawal from financial responsibility, or will the federal government put up some money to pay the cost for this needed facility and, if so, how much?

Hon. Donald S. Macdonald (Minister of Finance): As I indicated yesterday, we have appropriated substantial funds for each of the provinces for the purpose of a range of priorities with regard to urban transportation, urban transit, commuter traffic, rail relocation, and level crossing improvement. As I indicated to the chairman and the mayors of metropolitan Toronto yesterday, we were really seeking guidance from those gentlemen as to how those priorities should be indicated. It is, of course, a matter for decision also with the provincial government as to the allocation of those priorities, but I think that if the provinces choose, for example, to seek assistance in urban transit from the funds now made available rather than improvement in grade separations, indeed my colleague, the Minister of Transport, will have to give that his serious consideration.

EFFECT OF WITHDRAWAL OF COMMITMENT TO AID IN
DEVELOPMENT OF URBAN TRANSIT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I ask the Minister of Finance, in the absence of the Prime Minister, considering that the municipal planning of virtually every city from St. John's in the east to Vancouver on the west coast has been fundamentally put in jeopardy by this government's decision to renege on its 1974 election promise, does the minister not agree that not only has the government upset municipal planning because of this decision but it has also contributed substantially to public cynicism about politicians in this country?

Some hon. Members: Liberal politicians.

Mr. Broadbent: The government is completely withdrawing from what were allegedly serious election promises.