

Oral Questions

There is Sears, Labatt's, Greyhound, Canadian Airlines, 3M Canada, Xerox Canada, Reinforcing Steel, institutes. They all support it. The New Democratic Party supports it. The only party that does not endorse the idea right now, a move that could put 63,000 people back to work, is the Government of Canada.

ORAL QUESTION PERIOD

[*Translation*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to direct my question to the Minister of Finance.

The Minister of Finance said many times that the economic recovery in Canada was based on exporting more of our products to western countries. Today, the International Monetary Fund lowered its forecasts of economic growth in the western world and at the same time, the OECD announced that it would reduce its predictions and release the exact figure on May 15.

I would like to know from the Minister of Finance whether he intends to stand in this House and, in light of these unfortunate developments, tell us that his predictions will be changed, and when he will do so.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the forecasts that were taken by the IMF and the OECD and released during the month of October were based upon a certain set of assumptions. The revised forecasts which are currently being undertaken will be released some time toward the end of this month, in readiness for the IMF G-7 meeting which will take place in Washington later this month.

• (1420)

The government looked at the trends in Canada's economic performance and we revised our figures downward from those which the OECD and the IMF had projected in October. If there is a decline in their projected figures, and there is some preliminary information to that effect, I can assure the hon. member that we have taken those considerations into account in incorporating the budget.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, in light of this development and the fact that

everybody recognizes that the economy is still in a slump, that there is very little hope of getting out of this slump quickly, at the end of January the Liberal caucus presented a plan that was again supported yesterday by the representatives of the mayors of the largest cities of Canada to have a shared cost infrastructure program that will be paid for one third by the municipalities, one third by the provincial governments and one third by the federal government.

They came again yesterday and asked for this program to be started right away because they are ready. The programs are waiting and they will be able to put thousands of people to work within days. Why is the minister not telling them today that because of the slow growth, no growth, or the recession, that this program will be put into effect right away?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. Leader of the Opposition talked about the economy being in a slump. He related it to the economic slump that the whole industrialized world finds itself in, and that is a fact of life. I am pleased that the hon. member has finally taken that into consideration and recognizes that that reality exists. It is not a situation that is totally confined to Canada. It exists throughout the industrialized world.

With respect to the question regarding infrastructure, I responded to that in the House yesterday. The hon. Leader of the Opposition knows that during the course of the first ministers meeting we did in fact talk about infrastructure. We talked about the willingness on the part of the federal government to explore ways and means of improving the national highway system and looking at ways and means to expedite the fixed link and airport development initiatives. I think those are the kinds of things that are very important.

The hon. member should also know that yesterday the Minister of National Defence and other ministers announced a very important initiative sponsored by the Department of National Defence. It will provide for new helicopters and combat vehicles in London and Montreal, totalling some \$1.8 billion, which will not only sustain employment but also create new jobs.

That is the kind of productive activity I think the hon. member is looking for.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I said earlier that I recognized there is a problem around the world. I say to the minister that when we are in a situation like that, it is the time for the government to act.