

*Supply**[Translation]*

The infrastructure program is a shared-cost initiative to which each level of government in Canada—federal, provincial, territorial and municipal—will contribute \$2 billion, for a total of \$6 billion over the next two years. There will also be some flexibility so as to allow limited financing in the third year. The program is based on the collaboration of all levels of government in supporting infrastructure investment. The private sector will also be invited to invest in these public initiatives if their investments are considered useful to local governments.

• (1225)

The federal funds have already been divided among provinces and territories according to a formula based on the population and unemployment rate of each. I might add that that formula was approved by the First Ministers last December. Each province and territory will match the federal government's contribution, as will municipal and local governments.

The infrastructure program is intended to stimulate the economic recovery while responding to the need for infrastructure renewal and improvement in Canada. In this way, the program should help municipalities and communities to use new, efficient and environmentally sound technology while improving competitiveness and productivity.

We noticed a major reduction in the amounts spent for public infrastructure in Canada. In 1960, our three levels of government invested 4.3 per cent of the gross domestic product in fixed capital, but by 1980 it had dropped to 2.5 per cent.

Members opposite stress that right now, our financial resources are too tight to invest in infrastructure. We, on this side, do not agree at all with them.

[English]

The health of our cities and towns is absolutely central to the health of our economies. Good, efficient roads and transportation services reduce costs to individuals and businesses, avoiding expensive tie-ups, reducing wear and tear on vehicles, reducing operating costs. In the same way modern water and sewage systems are vital for servicing industry and commerce, as well as for the health of Canadians and the health of our environment. Without such services our communities cannot attract new industries or maintain the industries they have; local economies stagnate and communities die.

Our infrastructure has started to deteriorate and it will only continue to deteriorate. We have heard much about leaving a debt to our country and to our children. The cost of replacing infrastructure we do not maintain is far greater than the cost of maintaining it. If we do not do something now the debt we will

be leaving our children is in collapsing sewers, unsafe water supplies, corroded bridges and crumbling roads.

There are longer term benefits to improving the infrastructure and the quality of life Canadians have come to expect. Improved infrastructure means improved environmental quality and improved amenities. It is vital to our quality of life, whether creating a clean and pleasant environment or a hospitable environment for working, living and doing business.

There are major issues in each of our cities that require urgent investment in infrastructure to remain competitive. These projects are needed to allow Canada and communities across the country to remain competitive and to continue enjoying the Canadian quality of life.

Our goal is to develop economic, social and technological infrastructure to support the efforts of all Canadians to make Canada stronger in coming years. Infrastructure works is a national program. We are investing in each province and territory. The provinces and the territories, as well as the municipalities, are matching our investment.

• (1230)

The infrastructure program is now a reality. Framework agreements have been signed with all partners, getting Canada's three levels of government working together for jobs and working together for Canadians. It is a tribute to the government that within barely two months of taking office we were able to get all the partners to the table and get the agreements.

People across Canada are interested in our country's economic well-being. They have businesses they want to keep working. The needs and commitment of these Canadians are also necessary to achieving the goals of the program.

All members have realized that in one way or another this program will affect their ridings and their constituents. All could probably list from memory a number of worthwhile projects that have been brought to their attention by the people who elected them. Not only will these projects be good for communities but they will also give a boost to the businesses in those communities. In each of those communities these projects will put people back to work. There will be jobs for people who are not working right now. This is job creation where it matters: in the homes, in the businesses and in the neighbourhoods right across Canada.

In every province projects will be submitted to a joint management committee by municipalities, by school boards and by other local groups. This means that the local level, the communities across Canada will be the key to the program. The projects that local governments are willing to approve, the projects that local communities identify as their priorities, will be the projects that make up infrastructure works.