

### *Government Orders*

In fact, we are told that for every 1 percentage point we reduce interest rates it will mean a little over \$2 billion less in interest payments in the first year alone. That would increase in subsequent years.

It seems to me that if we really want to deal with this question of deficit reduction we have to deal with interest rate reduction. It is not the NDP alone that has been telling the government that interest rates have to come down further. Doug Peters from the Toronto-Dominion Bank, the chief economist, has said to the government that it must get the rates down. Business people have been saying to the government that it must get the rates down.

It is quite an irony when you think about the utilities of this country, the utilities in the provinces, going into the United States and borrowing money, using Canadian banks as a conduit because they pay less in interest rates. All that does is exacerbate the balance of payments of this country and further contributes to this national casino-type mentality.

This is a problem and the government can play all the shell games it wants letting Canadians think about how serious it is in setting this up. "See? See now? You see how much we are putting in the special account? Do you see it?"

I want to say that a government has to look at the national interests of the people of this country. For example, we are told—and this is not the NDP alone—that we have a very serious problem with respect to unemployment.

We have 1.5 million people officially unemployed. There is a drain on the economy because in fact these people draw down from the life support systems of the nation and of course there is no contribution in terms of productivity.

The government has not made that a concern. All of the premiers were consulted before the budget. I saw a graph of the suggestions they had made and they all identified the need to kick-start the economy with a municipal infrastructure fund. Spending a little over \$1 billion in the first year on municipal infrastructures would directly create 63,000 jobs in the first year.

I want to suggest that this government spends all the time of Parliament playing games with people's emotions

out there, having children go on paper routes to collect money, having a time clock for the deficit, and putting their little pennies they earn on their paper routes in there. At the same time, the Reichmanns and everybody else get away with paying little or no tax at all, instead of closing the loopholes.

• (1340)

The minister in his budget had the effrontery and the gall to suggest that since 1969 some of the insurance companies, large and profitable ones, have paid little or no tax at all in this country.

Confederation Life in 1990 made \$106 million net profit and paid not one penny of income tax in this country. That was 1990. That was a poor year. That was a recession year, and it paid not one penny.

What does the minister in his budget say? He says: "We have to plug that loophole now". Instead of playing these shell games like you see at the fair, identify under which shell is the pea. I want to say: shell on those games.

What we want is something really meaningful with respect to reducing the deficit. The place to begin is number one: get the interest rates down.

Number two: imagine if you can put 500,000 unemployed Canadians back to work. I have not figured it out, but I am sure somebody listening will figure it out. They will be paying income tax directly, paying indirect taxes on the things they purchase. They will be productive. Imagine how much the deficit could be reduced. Imagine if that unemployment rate could be reduced to 4 per cent, would it not be wonderful? We would have no deficit at all. It would wipe it out.

This is a shell game, and I believe that this government has not made one attempt to deal with the real problems. It can deal with those without even abandoning its own Conservative ideology. All of us can agree that the whole idea is to get Canadians back to work.

The municipalities across this country are not NDPers. They represent people at the grassroots level of this country and they have said to the government: "Look, there is a need for revitalization of our infrastructure". In fact, you could see that not only in terms of kick-starting the economy and putting people back to work, but you could also see it in terms of making us more competitive down the road.