

Oral Questions

How does the government plan to pay for this rising cost of unemployment? Does the government plan to raise taxes or raise the deficit to cover the cost of unemployment?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, we have within the fiscal framework been able to help in a number of areas over the last short period of time.

I remind the hon. member that we helped the agricultural community this year with some \$800 million. We helped the transportation industry, the truckers, the railways and the airlines, which maintained jobs and helped the economy of Canada.

We helped preserve jobs at de Havilland and we did that within the fiscal framework. We helped with the book publishing industry which was announced by my colleague just recently and was well received by the book publishers. As a matter of fact last night they publicly thanked the government for the help at a gathering that the hon. member for Hamilton East was at, as well as a number of others from the House.

We helped with equalization payments with the provinces that receive equalization payments. There has been a tremendous—

Mr. Speaker: Perhaps we should go on to the next question.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question.

The government is not helping by slashing the CAP payments to maintain the kinds of social health services the provinces need to help their people. There are some concrete things this government can do and it is refusing to recognize them.

Today the Federation of Canadian Municipalities presented a proposal for a national municipal infrastructure program, a program that would create 63,000 jobs every year it is in effect, that would generate new revenues and that would give a massive boost to our economy.

Will the government show that it really wants to get Canadians back working and support this program in its new budget?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I can tell my hon. friend that first of all her statement on slashing CAP is just not

true. There is no restriction on CAP increases for the seven provinces and there is a 5 per cent increased cap on CAP for the three other provinces. We are not slashing; we are actually increasing CAP.

If the hon. member were fair and honest with the House, I am sure she would have put her question in a little different manner.

As far as the association of municipalities is concerned, it has made the same proposal to the Minister of Finance for the last number of years. Ever since the Liberals cancelled the program it has made this proposal. Every year we look at this proposal. We will look at the proposal again. We will always give it consideration in the context of the over-all plans of the government and within the fiscal framework of the government of which we always have to be mindful.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I remind the minister that they cannot build an economy on a crumbling infrastructure. I do not know what there is to look at. If we are going to be prosperous, if we are going to compete, we need an infrastructure in our communities to make it possible to do that.

[*Translation*]

Mr. Speaker, unemployment and welfare are expensive. It costs taxpayers a lot of money and leaves all those people without hope. I received the following letter from an unemployed man: "I cannot sleep at night. I do not know where I will find money so I can eat. It is hard to keep hope for the future when one cannot survive from day to day".

When will the government give these people a little hope? When will it stop saying that unemployment costs nothing?

[*English*]

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the government has never said that unemployment does not cost. We know it does. But there are different ways of getting out of the problem. The socialists would have us spend our way out. Well, some of them; not all of them. The new premier of British Columbia says that you cannot spend your way out of a recession. He says you have to have the basic right to be ready to grasp the opportunity which is coming now because we are coming out of a recession and the signs that are showing are good.