

The Budget—Mr. Pepin

about true changes. We would be nearer this ideal we all want—a just society.

Our problems will not be solved with mathematical aerobatics. It is not by taking more from Peter under the pretense of giving some relief to Paul that our problems of unemployment and production will be solved.

Therefore, there would no longer be socializing taxes, punitive taxes, tyrannical taxes as under our current financial system but dividends that would be distributed to the people under a creditiste system.

Mr. Speaker, we are looking forward to the day when a Minister of Finance will have the honour of announcing in his budget speech to the Canadian people that instead of liabilities we finally have assets. At that time, it will be the end of a system under which most Canadian workers are suffering not only to make ends meet—since they do not meet—but just to live in indecent poverty in a profusely rich country.

Mr. Speaker, the day a Minister of Finance makes such an announcement, I believe that an important step will have been taken, that is providing security to the Canadian taxpayers with personal freedom for each and everyone.

● (4:00 p.m.)

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, "Grasp all, lose all." Therefore, I intend to leave to others the task of showing the meaning of the tax reform for senior citizens, workers, women, artists and other strata of society.

I also leave to others the task of showing the contribution of this tax reform and this budget to the implementation of the ideals of the just society, by way of a more equitable distribution of the tax burden. I believe that a decision providing that one million people will fortunately be removed from the tax rolls should be considered as prima facie evidence that a true reform has been initiated.

The member for Waterloo (Mr. Saltsman) suggested that the word "change" be substituted to the word "reform." As people say in Drummondville, he is being "Chinois" or splitting hairs. The *Petit Larousse* which I have here defines the word "réforme" as follows:

Changement opéré en vue d'une amélioration

The real difference from the semantic point of view is between "reform" and "revolution." This is "reform" and not "revolution" and this is perhaps what my friend regrets.

I will merely indicate today how that tax reform and the budget will contribute to industrial and especially to manufacturing development. My task is easier since industrialists have very well received the tax reform and the budget. I have read comments going from "better than anticipated" to "constructive", "good for the modest business concern", etc.

My theme is simple, Mr. Speaker. The tax reform and the budget obviously favour expansion. They strengthen already existing economic trends they constitute an incentive to industrial activity which is rather dull these

[Mr. Matte.]

days, I must admit, and this in three ways. First, in leaving more money in potential buyers' pocketbook; secondly, in providing incentives to industries: first general incentives, and then incentives specially designed for certain industries which experience particular difficulties at the present time.

Mr. Speaker, as always I have listened to my hon. friend from Waterloo with the greatest interest. The public at times asks members if there is a fundamental difference between political parties. I always reply affirmatively and the hon. member for Waterloo has given evidence of it today. In fact he has adopted with regard to those questions an ideological position which is characteristic of his party. Were I not myself a former professor, I would say an "academic" position, dividing things into categories, into black and white. For instance, it is to be noted that, for him, this is a fight against unemployment over and above all else. The idea of fighting unemployment and inflation at the same time seems totally foreign to his thinking; that is the kind of simplification that is often found in the party to which the hon. member for Waterloo belongs.

The way he speaks about those who have contributed to the preparation of the Carter report is worth noting. All those who have remained faithful to Carter are the good guys, those who have not are the bad guys. One should note also the way he speaks of the former Minister of Communications, the hon. member for Duvernay (Mr. Kierans). When the latter was a member of the cabinet, he was not too bright; but as soon as he left the cabinet, he suddenly became positively brilliant. Everything he says now is gospel truth.

If a Liberal member remains on the government side he is a devil; if he leaves it he is a saint. Such simplification is extraordinary and when I hear it I am always surprised even if I have been sitting in the House for eight years. Really there is no limits to my astonishment.

Mr. Lambert (Edmonton West): You should know better.

Mr. Pepin: The hon. member for Edmonton West tells me I should know better at my age. Maybe he is right. But this is not my main topic.

The hon. member for Waterloo told us this afternoon: You know, all these stories about investors' psychology, the importance of a favourable climate for investors, it is for simpletons. It is not serious.

Note, Mr. Speaker, that fine books have been written on psychology for salesmen, buyers, workers and others.

Why would there not be also a psychology of the investor, of the manufacturer? Why should he not have a right to his own psychology? And all those psychologies, Mr. Speaker, are sometimes mysterious. Why do businessmen think at times in such or such a way? I do wonder now and then. Why at certain times are they so pusillanimous? It does surprise me indeed. Still I will not deny that there is a psychology of the investor, of the businessman, even though I cannot understand it quite well.