

The Budget—Mr. Deniger

Last year, real growth in this country reached 3 per cent, and 400,000 jobs were created. Inflation, that nightmare of developed economies, has at last been wrested to the floor, something not even my colleagues opposite can deny. These results were certainly not a coincidence, although some people are very reluctant to admit this. In fact, the results I just mentioned clearly illustrate the beneficial effects of last year's Budget on this country's economic state of health.

Mr. Speaker, the present Budget has renewed my faith in this Parliamentary institution, since most Members will have heard from their constituents about problems they were experiencing, due to situations which have now been corrected in yesterday's Budget.

Today, I would like to share with my colleagues a number of those achievements which prove that the Minister of Finance (Mr. Lalonde) has a quality, rare even among ministers, which is to act as well as listen.

I was listening earlier to the former Minister of Finance in the Progressive Conservative Government when he was talking about interest rates. He discussed the matter last night on the news and again this morning on *Canada AM*, and I would like to remind him of what he said on November 15, 1979, about interest rates, and I quote:

We do not have high interest rates because this government wants high interest rates. That is not our policy. As politicians we do not want high interest rates. The people do not want high interest rates. Nobody wants high interest rates, so it is not a policy of the government to have high interest rates, it is a condition that the government cannot do anything about at the moment. It is not through choice.

Mr. Speaker, imagine the then Minister of Finance admitting that he was powerless to act! We, however, have taken steps to reduce inflation and bring down interest rates, which dropped more than 50 per cent over the last two years, and I think the Minister of Finance has something to be proud of here.

Mr. Speaker, the Budget the House is being asked to consider today is the end-result of a successful undertaking started ten months ago. The results, as I said, are there. The next step is to consolidate those results and to ensure continuity. However, according to our great Liberal tradition, we cannot stop here. We also must consider those who for a time were unable to benefit from this growth and those who had borne the brunt of the recession. That is why this Budget also tries to consider the normal aspirations of the average citizen, of the man and woman on the street. First of all, the Budget is continuing our efforts to restore the economy's momentum. A striking example among many others, Mr. Speaker, is the decision to defer the Incremental Oil Revenue Tax. Though this would be a source of considerable income for the Government, the Minister of Finance (Mr. Lalonde) did not hesitate to relinquish that income, for the benefit of the private sector. The message is clear: The Government will never set its own interests above those of the corporations that generate this country's wealth.

To stimulate the economy, we must also stimulate those who participate in that economy. That is the key to success, as far as productivity is concerned. In 1984, investment must no longer be restricted to equipment. It must also cover human resources. That is why the Government intends to help businesses make their employees aware of the realities of economics, by encouraging them to let their employees share in the profits generated by the activity of their economic unit. The subsequent increased co-operation between labour and management will surely enhance the quality and competitive position of Canadian products abroad.

Mr. Speaker, this is not a new concept. In fact, the Minister of State (Youth) (Mrs. Hervieux-Payette) previously tabled in this House a Private Member's Bill which referred to this positive attitude that would help increase productivity and wealth of both employers and employees. Furthermore, we must be efficient to maintain our position on international markets, and in this connection, the decision to create an international Aid-Trade Fund is more than welcome. In fact, this measure will not only help our companies to meet international commitments that are part of our country's policy, but it will also open new markets to competitive businesses. Mr. Speaker, most of us have spoken to businessmen who want to get a start on the international market. The Aid-Trade Fund will help our companies generate profits and generate employment, and in so doing, it will help boost the economic recovery that is now well underway, Mr. Speaker.

These are all important, necessary and even crucial measures, but it is not so easy to visualize how they could improve the lives of ordinary people.

I feel this Budget is dedicated to those nameless thousands who work hard to make this country what it is, a place where it is good to be. Above all else, the Budget has made job creation one of its top priorities. The previous Budget had already set aside nearly \$3 billion for employment assistance. The present Budget has increased funding by more than 15 per cent, a total of over \$3.5 billion. Youth will not be forgotten, Mr. Speaker. In addition to the \$1 billion in the last Budget, there will be an additional \$150 million in new funding that will be immediately available to help young Canadians in their future aspirations.

Another facet of the Government's present concern is its desire to resolve the problems of average Canadians in connection with tax measures affecting small and medium-sized businesses. These businesses are a major source of immediate job creation in this country, and clearly this is the first sector where we should start simplifying the tax system and stimulating the economy. From now on, the so-called cumulative deduction account will be eliminated, which will considerably reduce the number of hours spent by small businessmen on paperwork and recordkeeping. Administrative problems will be reduced even more as a result of eliminating the distinction between active business income and non-qualifying business