

mote and make available creative Canadian works on a more equal basis than is now the case. It goes to the root of our philosophy as a party that workable incentives are a more efficient and acceptable alternative than state compulsion.

These then are the six fiscal measures a Progressive Conservative budget would have introduced to stimulate the Canadian arts and cultural industries, rather than the pale and, in one instance, negative document that we are considering today. I submit to you that they would have a significant, if not a profound, impact on our creative and cultural life.

What about the cost? Our estimates, and I admit they are rough, indicate a rise in the Canadian share of our cultural market from the present 8 per cent to at least 20 per cent. In retail sales, this is a gain of \$188 million. In terms of employment there is potential for the creation of at least 5,000 new full-time jobs. From economies of scale we anticipate a reduction in the unit cost of Canadian products of at least 5 per cent or perhaps even 10 per cent.

In terms of exports, once we have a firm foothold in our domestic market, the sky is the limit with our ready access to the multi-billion dollar mass markets of the English and French-speaking world. As my leader stated Tuesday night in Toronto, "We don't need to defend ourselves against the world, but to express ourselves to the world". I think we have to get beyond the stockade mentality with respect to our cultural industry. Instead of simply resisting what has always come at us from the outside, we may have things of international quality in two official languages that others want to share with us from one end of the world to the other. That is the kind of optimism and activity a budget should have entailed with regard to the cultural industries.

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Our estimates indicate that the combined cost to the federal treasury of these six measures would be in the neighbourhood of \$5 million. That is just a bit more than the Secretary of State paid for our national birthday party, or half the cost to the government of the National Discovery Train. In fact these measures would stimulate economic activity to the extent that they would soon realize a net gain for the federal treasury. The \$5 million spent on these six measures could well prove the most cost-effective investment the government could make in any field.

This is the type of investment in our future which a truly concerned government would not hesitate to implement, not simply because it makes economic sense but because, again in the words of our leader, speaking in the city of Toronto, and I quote:

Because countries are more than economies and constitutions. When we satisfy the last lawyer, and create the last job, we will still face the question: what kind of country are we?—

That is the fundamental question being asked of those of us who live outside Quebec by those Québécois who want to stay Canadians. And the answer is here—in the turbulent diversity of this city—in the potters and the weavers and the craftsmen starting business across the land—in our 7,000 Canadian authors—and our legions of local historians—and our millions with memories of what this nation means to them.

The Budget—Mr. Cyr

At the present time we have a burgeoning potential for cultural expression. We celebrate a diversity of interests and activities which are the essence of our country. Yet Canadian culture today is a state-subsidized activity on the margins of economic enterprise. Canadian culture tomorrow could be the growth industry of the decade. And by making it possible for Canadians to express and to share our diversity through our own cultural media, we may in fact contribute something of inestimable value to the spirit of Confederation itself.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, first I would like to congratulate the new cabinet members, the members for Matane (Mr. De Bané), Kenora-Rainy River (Mr. Reid) and Scarborough East (Mr. O'Connell) and to wish them all the success they deserve in their new duties.

Mr. Speaker, I would like to dwell on a few points of the budget speech delivered by the Minister of Finance (Mr. Chrétien). Allow me to point out that the moderate growth of the Canadian economy in 1978 is mainly the result of low consumer expenditures. I therefore want to congratulate the minister for reducing the federal sales tax from 12 per cent to 9 per cent which will promote, I hope, increased consumer expenditure while containing inflation at a time when the Canadian economy is no longer subject to price control.

The control of inflation has always been and will remain the concern of the Liberal government's economic policy. And it is precisely the widespread inflation experienced from the beginning of this decade which has been one of the main factors responsible for the decreased competitiveness of Canadian products on international markets. It cannot be denied that this is the main source of our balance of payment difficulties which have brought about the Canadian dollar devaluation over the past two years. The significance of this devaluation should not be exaggerated however as it is one of the factors which are now contributing to the economic recovery of Canada as a whole and of Quebec in particular. As a matter of fact, this factor will doubtless contribute to the rising growth rate of the Canadian economy forecast for next year.

Mr. Speaker, the Gaspé peninsula has traditionally been recognized as an area of slow growth, in spite of the sustained efforts and repeated interventions of the government which sought to favour the development of this area through its regional expansion policy. This policy is now in full swing, thanks to the special fiscal incentives the Minister of Finance has reserved for the Gaspé peninsula and the Atlantic provinces in his budget speech. On behalf of all Gaspésians, I want to thank the Minister of Finance for the special attention he has paid to the slow economic growth of their region, and I am sure that a few hours from now, the hon. member for Gloucester (Mr. Breau) will do the same on behalf of his constituents.