

HOUSE OF COMMONS

Friday, October 18, 1985

The House met at 11 a.m.

● (1105)

STATEMENTS PURSUANT TO S.O. 22

[Translation]

EMPLOYMENT

IMPORTANCE OF SMALL- AND MEDIUM-SIZED BUSINESSES

Mr. Alfonso Gagliano (Saint-Léonard-Anjou): Mr. Speaker, I rejoice over the Canadian Federation of Independent Business announcement that 250,000 jobs will be created by Canadian small businesses in 1985.

The announcement is related to several factors. The number of new jobs might be three times as high had the Conservative Government completely abolished the capital gains tax, provided such gains would be invested in small- and medium-sized businesses.

The \$500,000 exemption advocated by the Conservative Government will not channel investments towards job-creating small- and medium-sized businesses. The new owner of an apartment building does not create a single job, yet the seller is entitled to a tax exemption.

The odd job this Conservative measure might create will not be an adequate substitute for the thousands of other jobs we lose every day as a result of the Conservative Government's lack of leadership.

Montreal East is a telling example—5,000 jobs lost within a few days.

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[English]

THE LEADER OF THE OPPOSITION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I think I should draw the attention of the House to a wonderful letter that has come to me. The letter goes on for three pages about the terrible things which the Conservative Government has done, and, by golly, it is all true. Right here, you can see the letter has been signed by the Hon. Member for Vancouver Quadra (Mr. Turner), the Leader of the Opposition. He is inviting me to join the Liberals. One of the reasons he said I should join is because the Tories have "saddled Canadians with a hodge-podge of backward sales taxes and surcharges

likely to cost the typical Canadian family thousands of dollars over the years ahead".

But, wait a minute. Does my memory fail me, or was it the Liberals who brought in that sales tax increase in the first place? Indeed, Mr. Speaker, it was in Marc Lalonde's 1983 Budget that the Minister of Finance announced a "special recovery tax". The major effect of that 1 per cent sales tax increase, which the Conservatives opposed and then introduced last year, was to take a billion dollars out of the economy and slow down any recovery which might have provided jobs for Canadians.

Well, it seems the Liberals have seen a light on the road to Damascus, and are now writing to thousands of Canadians calling the sales tax increases backward.

The Leader of the Opposition writes a great letter. But perhaps, just perhaps, the next time he writes to Canadians he will be honest enough to point out that the programs he was criticizing were introduced first by Liberals.

Mr. Speaker: I must tell the Hon. Member that his time has expired. The Hon. Member for Beauce (Mr. Bernier).

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[Translation]

THE ECONOMY

IMPROVEMENT SINCE GENERAL ELECTION

Mr. Gilles Bernier (Beauce): Mr. Speaker, over the 12-month period ended in September 1985, 304,000 more Canadians found gainful employment, and the unemployment rate dropped from 11.6 to 10.1 per cent during that time. The New Democratic Party does not even mention it.

The Bank of Canada prime rate decreased by 3.53 per cent since the election and now stands at 8.85 per cent, a seven-year low. Mortgage rates are down 2.5 per cent to the current level of 11.75 per cent. The Grits are tight-lipped about it.

Over the first seven months of 1985 the value of building permits rose by 17 per cent over the same period the year before. The New Democratic Party has nothing to say about that.

The 4 per cent inflation rate has remained practically unchanged for over a year. The Liberals are silent.

Over the first eight months of 1985 there were 13 per cent fewer bankruptcies as compared with the same period the year before. The Liberals have nothing to say.