

**Mr. Epp:** In the time remaining to me I will not be able to delve deeply into economic policy. However, there are a few points I wish to make. The government has embarked upon a program for relieving regional economic disparities. Perhaps some time in the future we will see the results of those economic policies. Our problem in western Canada is one of geography. For instance, why must western Canadians pay more for freight? Why does it cost more to ship goods from west to east than from east to west?

If we are to do something positive about regional economic disparities, let us not only do something through DREE programs; let us do something to improve the economic base of the regions from which we come. In my area we are not asking for anything special; we are only asking for the same deal to be given to all Canadians.

**Mr. Paproski:** How about more flights from Edmonton?

**Mr. Epp:** We could include those, too. The economy of western Canada has been largely agricultural. In order to expand that economy, we must introduce to the region secondary manufacturing and processing industries. I suggest we have made a good start in this direction. If that industry is to expand and be competitive, it must be placed on the same footing as the eastern manufacturing industry.

The Minister of Finance mentioned in his budget speech the removal of tariffs on specific out-of-season fruits and vegetables. I will let my friends representing areas of horticultural production discuss this matter. I only ask the minister this question: Why must Canadian farmers cross the American border and buy Canadian fertilizer from American companies at \$20 per ton less than they would have to pay in Canada?

**An hon. Member:** Shame.

**Mr. Epp:** Why must they bring it back to Canada, to their own communities, having paid less than they would have paid if they had bought it in those communities? Does that represent the type of economic policy this government endorses?

The third point I wish to make is this. It would have been much more equitable if the minister had removed the 11 per cent sales tax on building materials. Because the construction industry is a seasonal industry there are high unemployment rates associated with it. I suggest that such a tax cut would have created incentives for that industry and, apart from bringing down the high cost of housing in Canada, would have affected with advantage some of the other areas to which the minister referred.

Lastly, Mr. Speaker, may I mention incentives for small businesses. I might mention, parenthetically that when dealing with the Department of Regional Economic Expansion one almost needs professional guidance to cope with the red tape in assessing the status of grant applications. If we are to create jobs over the long term, we must provide incentives for the small businessmen who produce jobs. If we provide incentives for farmers to produce, they will expand production and we shall expand the economy—because it is private initiative that counts, Mr. Speaker. I suggest that as well as abolishing

*The Budget—Mr. Isabelle*

inheritance taxes and capital gains on farms that pass to members of a family, the government should treat small businesses in much the same way so that they may be transferred from generation to generation and enjoy the same sort of tax forgiveness so long as they remain within the family.

**Some hon. Members:** Hear, hear!

**Mr. Epp:** So if this government wants the people to have confidence in its economic policies, I suggest it should look once again at the two basic areas of free enterprise and personal initiative instead of indulging in another band-aid approach to spending. Let the government not think that by giving hand-outs it will induce the economy to pull itself out of its current difficulties. Let the government create a climate in which individuals can produce and in which the economy can begin rolling forward again, instead of the type of climate which the government is proposing in the budget.

• (2050)

[*Translation*]

**Mr. Gaston Isabelle (Hull):** Mr. Speaker, I am pleased to speak this evening, because I feel that it is a privilege which all members should avail themselves following the presentation of the budget.

Mr. Speaker, I think that the constituency which I represent is well-known. When I heard in this House some members say that the federal government was spending too much money in the national capital, that regionalization should be out of question, that no more funds should be allotted under this item, I felt that they could examine a map of Canada to realize that our country is a continent.

Canada has naturally multiple callings; moreover, if we compare the various provinces, we see right away that their economy is different and that some are richer than others. This is why the government has established the so-called equalization payments, in order to enable the poorer provinces to get a little more money, so that all provinces may enjoy the same standard of living.

Mr. Speaker, it has often been said that if the country must have a heart as human beings, that heart must be found in the national capital which has been Ottawa up to now. Some members came to Ottawa for the first time after their election; when Ottawa was referred to as the national capital of Canada, they did not care, because they had never been there. I would like them once again to immerse in the history of the capital of Canada. They will soon realize that the capital of Canada is not just Ottawa, although Queen Victoria did decide to choose it—because Parliament also decided that there would be a National Capital region including the cities of Ottawa and Hull and the neighbouring municipalities.

For many years, Mr. Speaker, it was always felt that the part of the National Capital including Hull and its environs was systematically overlooked by the central government and even by the Quebec government.

There is no need for me, Mr. Speaker, to prove to what extent we have been forgotten for years by the province of Quebec and by the central government, to recall that a Quebec minister even came over to Hull to see Mayor