

*Oral Questions*

## FUNDING OF MEASURES TO CREATE JOBS

**Mr. Nelson A. Riis (Kamloops-Shuswap):** Along the lines of economic stimulus, Madam Speaker, my question to the Minister is this. Since we are paying out virtually \$1 billion a month in UI benefits to Canadians from federal coffers, and since he surprised Canadians last night by saying that the \$4.8 billion job-creation program was going to be spread over a four-year period, would it not be a better investment for the federal Government, rather than simply to invest \$1.2 billion each year in job creation, to invest more money in job creation, which would result in serious economic development and economic return to Government coffers and thereby begin the process of reducing the deficit and the debt as well?

[*Translation*]

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, last night I said that 70 per cent of the funds committed for capital projects under the \$2.4 billion program I announced will be spent this year and next year. We have done everything possible to accelerate capital investment and to ensure that this money is spent as soon as possible on useful projects throughout Canada. By introducing various tax measures for the corporate sector, and especially for small- and medium-sized businesses in Canada, we have tried to encourage these businesses to start spending on capital projects as soon as possible to upgrade their operations. I believe these measures will have a beneficial effect on Canadian workers in general, and especially on those who are now unemployed, because if we can start business on the road to recovery in Canada, this will create jobs for Canadian workers and that has been our primary concern from the outset in preparing this budget.

[*English*]

## GOVERNMENT REVENUE FROM TAXATION

**Mr. Don Blenkarn (Mississauga South):** Madam Speaker, the Minister of Finance will know that last night in his financial tables he increased his net take from the economy by \$5.72 billion in taxes. Can the Minister explain how this tax grab will encourage job creation and economic recovery?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, the Hon. Member might take the trouble of pointing out the number of years he is talking about. For this year and next year, when the economy will need stimulus, the Government is not increasing taxes on a global basis as the Hon. Member has indicated. As a matter of fact this year, 1983-84, we have a quite significant reduction in total taxes, and the Hon. Member should put that on the record. However, as the economy is going to recover and get stronger, obviously, as I indicated yesterday, we would make sure that the fruits of that growth are going to be shared, and the Government is going to get its share in taxes in order to pay for the expenditures we are incurring at the present time to support growth in the economy. So I would invite my friend to show exactly the number of

years he is referring to, and he would have to point out that the taxes he is referring to are not taking place in 1983-84 at all.

## FORECAST OF ANNUAL DEFICIT

**Mr. Don Blenkarn (Mississauga South):** Madam Speaker, the Minister knows that even next year there is an increase in taxes of over \$800 million. He knows that he is forecasting unemployment in excess of 10 per cent into the indefinite future. He is going to increase taxes and guarantee, almost in perpetuity, that the Canadian Government will have a deficit in excess of \$25 billion a year. Therefore, I ask him how, in the name of recovery, that will create confidence, how it will stimulate the economy, create jobs and build this country?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, I would say that probably the best answer to the Hon. Member would be to ask him to take the trouble to read the statements made since last night by dozens and dozens of spokesmen for the private sector who have endorsed this budget. If he does not believe this budget is well received by the people who are going to invest and create jobs, he should explain to me why the Toronto Stock Exchange index went up 28 points since this morning.

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

**Mr. Stevens:** So did New York.

## REJECTION OF AGRI-BOND CONCEPT

**Hon. John Wise (Elgin):** Madam Speaker, my question is directed to the Minister of Finance, who made it very clear last night that this was a budget of recovery. I only wish, speaking for the agricultural industry, that it was a budget of discovery of the fact that we do have an agricultural industry in this country which is suffering very severely. I want to acknowledge, though, four items in that budget relating to the agricultural industry. One is a very small and insignificant measure to farmers in distress, and of course three other measures affecting a very few farmers. However, to take advantage of those three measures they would have to be in a profit position.

I want to ask the Minister of Finance why he ignored a golden opportunity to implement a very significant and meaningful program for farmers at this particular time, and of course he knows, as does the Minister of Agriculture, that I am referring to the implementation of the agri-bond concept. Why did he not utilize the opportunity last night to implement this program?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, I have indeed studied that proposal very, very carefully. I spent a lot of time reviewing it because I was trying to find out whether it could be implemented in a responsible way. As a matter of fact, as the Hon. Member knows, we asked an outside task force, the Lortie Commission as it was called, composed of experts in the field, to examine this matter. They