

The Budget—Mr. Rodriguez

amount of the revenue earned by your government to the wellbeing of Canadian citizens who are now suffering with unemployment, and on fixed incomes. I am conscientiously objecting and will not be able to live with myself by contributing to your cavalier attitude and actions toward those who are suffering around me.

When listened to the Budget, I hoped that it would effectively deal with creating employment in areas like mine, which is suffering from 16 per cent unemployment. We do not have a private sector base.

I questioned how the Budget would provide an incentive for Falconbridge and Inco to hire more people. It does not provide that incentive. The Budget will not motivate those who deal in RRSPs to invest in my riding, because they are highly speculative. How will the capital gains tax exemption stimulate employment in my area? Those Canadians will simply sell what they have and buy a condominium in Florida. It will not help create employment and, therefore, I honestly say that while my hopes were high, they were dashed.

[Translation]

Mr. Leblanc: Mr. Speaker, our country has a wealth of natural resources and an extraordinary human potential. The major problem in the past was that the Government stifled personal initiative and killed all hopes of succeeding. That is the cause of our main problem and disastrous situation in this country. It is absolutely essential to restore confidence to the people in research and development, and I wonder what the Hon. Member is trying to sell us today. He has absolutely nothing to sell since he said that we must help the poor and the needy. We have nothing against this, but if you get to the point where your only thought is of helping the poor and the needy, you disrupt the system by preventing those who are able to succeed from doing so. Then, your businesses close down, there is no more money for the Government and people stop working. When people no longer work, they cannot pay taxes to the Government. I would like the Hon. Member to tell me where we shall find all this money if businesses close down and if the people stop working. That is my question. I do not know where that reasoning can lead you.

[English]

Mr. Rodriguez: Mr. Speaker, perhaps the Hon. Member did not hear me. When the Government imposes a tax on pet food, soap and shampoo, regardless of the fact that people may not be able to afford it now, it is essentially punishing poor people. A sales tax is not progressive and simply dampens demand. It does not stimulate the economy at the consumer level.

The Budget seeks to inspire confidence in the rich. It does not matter if the poor have confidence and I suspect that if the Hon. Member is really interested in stimulating the economy, he would consider that.

I also pointed out that there is a disparity with respect to old age pensions. This year, the Government is taking \$100 from old age pensioners. In my riding that is the only income for many old age pensioners because they worked for companies that never had a pension plan. They depend on that old age

pension, and when the Government removes \$100 this year, the cumulative effect on them becomes \$512.

[Translation]

Mr. Marcel R. Tremblay (Québec East): Mr. Speaker, I am very proud to have this opportunity, first of all, to offer my sincere congratulations to the Minister of Finance (Mr. Wilson) on bringing down a Budget on May 23 of this year that is realistic, effective and fair. I may add that I find it very exciting to be taking part in the Budget debate, considering its tremendous impact on job creation.

The Budget was so well received by tax experts and economists that it was even referred to by some as conservative, literally. A great deal of preparation went into this Budget, but I think that the Budget papers especially reflect some very positive aspects for small- and medium-sized businesses. The Budget has a direct impact on business people. On May 23, the Progressive Conservative Government brought new hope to small- and medium-sized businesses, and the time has come for the private sector to regain confidence in its potential. It is time for businessmen and women to show what they can do. Our party was put in power to bring about a change for the better, and that is what it is doing. As far as policy is concerned, this change represents a sizeable break with the past, and that is reflected in the Budget.

This Budget has benefitted from the most extensive round of pre-budget consultations ever held in Canadian history. Whereas before, the independence of private entrepreneurs was questionable, to say the least, they are now being encouraged to become more actively involved than ever before in increasing awareness of their strength and potential at the local, national and regional level. It is this involvement that will give our economy the clout it needs at the international level.

It would be too easy to say that the Budget is giving the private sector a chance to change the present state of affairs. However, it is challenging entrepreneurs to take the initiative. There is no longer any reason for the lack of initiative shown by business people so far in this country. Various business-oriented incentives have removed the taint from the word "profit". Creativity and innovation are high on the priority list, and productivity will at last be rewarded.

Yes, this Budget favours private enterprise. Yes, it is giving the private sector the tools it needs to overcome its economic stagnation. Yes, the entrepreneur must get involved. It is a must. It is a real must. Otherwise, the Budget will be useless.

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Good intentions are not enough to bring about change. We need action! We need immediate, intelligent and genuine action. How are the measures this Budget contains going to help private enterprise prosper? Very simple: it will have to