

ary consumption spending, and second, for those who remain a conversion to investment spending.

What does this mean? It means we can no longer afford simply to pay people because they do not have a job. We cannot afford to pay mothers a total of half a year's unemployment insurance benefits regardless of the merits or wants for this type of program. We cannot afford to transfer moneys to the provinces that they transfer to the municipalities. In turn they can support youth from the ages 15 to 21 so that they can leave the responsibilities of family life and be unproductive members of society.

Of course we will continue to support the concept of universality for social services in our medical system but we must question whether treating the common cold is an essential service.

The elimination of services or a degree of them is obvious. The conversion from consumption to investment is somewhat more complex. It seems clear that if people are not going to be engaged in work, they should ultimately be trained or retrained in order to regain entry at a higher level than when they left. If for some reason this is not possible these people should be supported based on the degree of their commitment to undertake work directed at the improvements to their communities.

I suggest this will encourage the dignity and self-respect that all humans are entitled to embrace. This commitment of government to upgrade the skills of our labour force will allow all of us to participate in the march to prosperity in the 21st century.

In conclusion the road for Canada is in front of us. It involves a change in attitude by government as it approaches investment and consumption in government finances. Indeed it embraces a change in attitude of all the people in Canada. It recognizes that we can no longer drive our consumption spending based on want but rather it must be based on genuine need. It must recognize in its legislative agenda the need to support investment not only in the small and medium sized Canadian owned business sector but also in the grey matter of all the people in Canada.

The chance to build a greater nation is in front of us. Now is the time to take bold steps to claim Canada's destiny.

● (1340)

Mr. Grant Hill (Macleod): Mr. Speaker, I would like to congratulate the member on the comments. I presume that he is a new member in the House. I believe he has not suffered with some of the atherosclerotic disease that seems to be prevalent with some aged members in this House.

Government Orders

I would like to know from the member if it would be possible for him to infuse this fresh enthusiasm into some of those aged members.

Mr. Shepherd: Mr. Speaker, I accept the hon. member's comments. I guess it comes from not being actively involved in politics to some extent, although that is not quite true. I had some involvement in my early youth here in Ottawa. However, being out in the real world trying to make a buck and having to meet payrolls, seeing both sides of our economy, people having problems as well as people being successful, gives me a good perspective on what I think we need as a nation. I will try to instil that around here if I can.

Mr. Julian Reed (Halton—Peel): Mr. Speaker, I would also like to congratulate the hon. member for Durham for injecting a very fresh idea into this debate. He and I share something in common in that the agricultural parts of our ridings are farms that are agriculturally valued very differently than farms in other parts of the country.

When a farm is passed on and when there is succession right now, the paper value of the farm far exceeds its value as a working farm. Therefore, it is absolutely essential that the \$500,000 exemption continue.

I am just old enough to remember when death duties existed in Ontario and I saw farms being lost to government, farms that had been in families for generations.

The member talks about cancelling the \$100,000 capital gains exemption. Does he simply feel that it is too small? Is that his reason for wanting to cancel it and dwell on the \$500,000 exemption?

Mr. Shepherd: Mr. Speaker, I do not think it is unusually small. Indeed the finance department's estimates are that this is a \$650 million loss of revenue had those exemptions not been available in the last taxation year 1991, I believe.

It is significant, but what we need to do, getting back to the government's agenda, is to re-focus on where we want those exemptions to exist. Currently I suspect the lion's share of those exemptions are in stock trading and investment real estate transactions.

Basically, our problem today is clearly that the small business sector is under siege and one of its biggest problems is capital. I would not say the banks of this country are failing the small business sector, but their debt type of financing is not what the small business sector is looking for. It is looking for equity and equity participation and we must spend a considerable amount of time to formulate these markets.

What I am suggesting is that we have a significant shift in our taxation system which recognizes that we need to have the underpinnings of the small business investment there and that