

*The Budget*

• (1545)

The budget tabled by the Minister of Finance offers no comfort to those who want to work to support themselves and their families.

I have two last points to make. This budget does not offer solutions to the debt problem. Why not? Perhaps because the budget is based on a number of assumptions, which do not take into account the Bank of Canada's potential influence on the monetary policy.

Many financial players say that making the monetary policy more flexible would stimulate the economy by reducing interest rates so that people could invest in and revitalize the business sector. In an approach that I would describe as doctrinaire, the Minister of Finance refuses to make any change to the monetary policy, in spite of the fact that there is no inflation, so to speak, in Canada. So, it would be time to cut some slack in that area to give the economy a chance.

I will conclude on this. I suggest there is another solution that we, Quebec sovereignists, could bring about. We think Canada is in need of economic restructuring. I think that Quebec's achievement of sovereignty, which will no doubt happen within a few years, will provide a welcome opportunity to restructure the economy, start over based on new presuppositions, review our policies and build on new bases.

For all the foregoing reasons, I will be voting against the budget.

[English]

**Mr. Paul Szabo (Mississauga South, Lib.):** Madam Speaker, I listened with interest to the member and noted one particular aspect. I do have a comment and one specific question for the member.

He asked about the young people and what is there for them, that there are no jobs. There is no question there are still a large number of Canadians, particularly young people who do not have jobs.

Governments in themselves do not create jobs; businesses, and particularly small businesses do. Over one million small businesses in Canada employ over 70 per cent of Canadians. They are the ones who are the engine of this economy. They are the ones who are going to help to create jobs. The member well knows that over the past year the government has assisted in the creation of over 433,000 jobs.

I looked at the economic statistics for the last year. The fact is our growth rate over the last year was 4.25 per cent, the highest in the G-7. According to the OECD, Canada will continue to lead the industrialized world in growth for the next two years. The unemployment rate has dropped below the 10 per cent level and in fact we have virtually no inflation.

The member concluded his remarks by getting back to the essence of why he is here. It has to do with sovereignty, the separatist question and the separation of Quebec.

Would the member not admit that the ability of Canada to move forward and to achieve economic growth and greater job creation depends a great deal on the confidence level of investors in Canada and the certainty that people have with regard to the affairs of Canada? Would he not agree that once the referendum question is dealt with, once this issue which has cost Canada so dearly over all these years is finally resolved, Canada's economic position will be much stronger?

[Translation]

**Mr. Caron:** Madam Speaker, I thank the hon. member for his comment and question.

With respect to his comment, I would just like to say that, when the Minister of Finance talks about job creation or when the Liberal Party was talking about job creation during the election campaign, they never said: "We will create 400,000 jobs". What the Liberal Party said is: "We will create jobs". And what the Minister of Finance is telling us is: "We have created 450,000 new jobs in Canada". I suggest he qualify this statement by saying "we contributed to the creation of", if we follow my hon. colleague's reasoning.

• (1550)

On the issue of confidence and Quebec, I do not think that shoving our problems under the carpet will resolve anything. The Quebec issue is that of a people who wants to achieve sovereignty. I could tell you a long story, but it would be the history of Quebec, to make the point that, for us, this is a culmination. And Canada will not make this problem disappear by denying this reality. A better way of dealing with this problem would be to recognize it and look at the potential impact of Quebec's sovereignty on both Canada and Quebec.

I have the distinct impression that Canada would survive if Quebec were to secede. Why not? I think that those who say that people are reluctant to invest because Quebec wants its sovereignty are just using this as a scare tactic. Interestingly, after the defeat in 1980 and the patriation of the Constitution which was supposed to create a new order in Canada, we did not experience a major boom in the economy. I remember what happened in 1982. There was a serious recession, and that was two years after Quebecers said no in the referendum. I do not think there is a relationship between the two.

But there is something I would like to say to the hon. member in closing. As long as the issue of Quebec has not been resolved, Canada will always identify this issue as a problem. I do not think that holding people against their will, scaring them and threatening them will solve the problem. Whether the answer is yes or no in the referendum, the problem will still exist and there will still be sovereignists in Quebec who will continue to stand