

put together solutions which could be acceptable to both governments, but to no avail.

This is the stage we have reached now and it seems that no progress is being made, that this is some sort of a dead end, and that the project in Sherbrooke, as well as those in Rigaud and Quebec city for that matter, are greatly jeopardized. Here are two basic approaches by two levels of government which seriously endanger the realization in Sherbrooke of this relocation project. The fact remains, however, that the people in Sherbrooke are very eager to see this project come true, a project which should mean significant economic benefits for Sherbrooke and the eastern townships generally.

For the sake of political decency, we cannot let the hopes of a whole population hang in midair without knowing what will happen. The federal government is determined to relocate that service in Sherbrooke, in accordance with the commitment given to the public servants and all the provinces in the House in 1974. Let us think about it: it concerns 750 employees, plus their spouses and children, a total of about 2,000 people. It means creation of at least 1,500 direct and indirect jobs, total annual wages of over \$15 million, and capital investments in the range of \$40 million. In brief, a project with absolutely tremendous economic repercussions.

I would conclude by recalling what a distinguished editor in the region very appropriately wrote about this last winter. I quote:

It would suffice that the Parti Québécois acknowledge that all-out nationalism does not put food on the table and does not create jobs whereas simple logic would help bring 700 new jobs to Sherbrooke.

There is nothing humiliating about that; it is just a matter of knowing how to add, of recognizing what everyone knows, except the government, that Quebec is still part of Canada and that Canadians are not immigrants in the province of Quebec.

If the Péquiste government persists in refusing jobs like that, in being haughty in several respects, the political balloon that will burst will be its own. It will have lasted only four years.

We have always maintained that English-speaking Canadians from the other provinces could not, as long as Quebec is part of Canada, be assimilated with the immigrants like the others, as far as the language of schooling is concerned.

If Quebec were to persist in applying Act 101 in its entirety to English-speaking Canadians, it would prove that it cares less than it professes to about economic development. Ottawa does not ask that Quebec deny its principles it does not intervene in its legislative process, it proposes—

—always according to that editor—

—acceptable terms.

Mr. Lévesque should soon agree that he is not expected to capitulate but simply to try to cooperate a little.

To conclude, Mr. Speaker, I would say that the government offer is there; it is explicit and unequivocal. The requirements are the same for all provinces in Canada, and they were felt acceptable everywhere else in Canada. It seems to me that by depriving Quebecers of a fair distribution of federal expenditures, therefore of their own taxes, under the relocation program of the services of the Government of Canada which was established to extend better service to the population, the

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government of Quebec fails to pay attention to the most urgent needs of an area like the constituency I have the honour to represent in this House.

[English]

Mr. R. E. McKinley (Huron-Middlesex): Thank you, Mr. Speaker. First, I want to express my appreciation to the members of the House of Commons for agreeing not to see the clock tonight, and also to the staff of the House of Commons.

Reflection on this budget leaves one wondering increasingly just what deserves praise. On the face of it, the budget appears to be cautious and, as the media describe it, responsible. Well, here perhaps is one quality that deserves praise: compared with the wild riot of spending we have grown to expect from the government, this budget is responsible. It is a sad commentary on the state to which our economy has been brought that we can praise a government as responsible simply because it is not quite as irresponsible as it was before. It is as if we were to congratulate a murderer because he had cut back to aggravated assault, or an arsonist because his fires were getting smaller. Nevertheless we recognize that while this government clings to office, we cannot expect the best of all possible worlds, and this being the case we can still welcome the decision not to penalize private industry in the resource sector, particularly mining and pulp and paper. What we should bear in mind, of course, is that the government has not given anything new to these industries; it has simply decided to take less away. It is slackening its chokehold.

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The intention to increase tax credits for investment and to encourage more research and development is a welcome feature, but it draws attention to an underlying pattern, namely that the budget is directed toward winning the approval of big business. The fact that a loophole, used mainly by large corporations for debenture financing at bargain rates, has now been closed should not obscure the underlying pattern. This is essentially a budget to make big business happy.

With this pattern in mind, I want to look at the budget from two points of view and from the perspective, not of large and often foreign-owned businesses, but from the perspective of small businessmen, particularly the kind of small businessman I have been sent here to represent, the self-employed farmer who sustains a good many small Canadian communities. From this perspective I want to talk of areas of government performance as they are reflected in the budget, one dealing with the government's enormous capacity for spending money, and the other with the feeble measures with which it has come up to help this particular kind of Canadian business earn money.

This government has proved to be extremely good at spending money, a habit it increased as if it were a drug addiction during its short marriage to the big spenders in the NDP while we had a minority government a few years ago. Until circumstances and a strong public protest forced it to haul back a little in its dying days, the government has shown no more concern than the most short-sighted freeloader on the socialist benches about the sources of the money it spends.