

The Budget

For example, there are measures in this budget which will help encourage personal consumption by Canadians. They will encourage Canadians to get their money out of their bank accounts, spend it and help the economy. That is something the budget is trying to accomplish. We are doing that simply and primarily through a tax cut. Five hundred million dollars will be put into the hands of consumers this year as the personal surtax is cut. It is estimated that \$1.2 billion will be returned to consumers next year through the tax cut. That is the first major thing this budget does to help restore confidence.

Second, we are trying to encourage people to get into the real estate market. This is pretty significant. I applaud everyone who for the last number of years has been trying to get a federal government to free up some of the pension funds invested in this country and get them put into the economy. The Canadian Real Estate Association, the premier of Ontario, the Leader of the Opposition, and a number of other Canadians have been trying to do that and they have finally succeeded. That is another confidence building measure.

Low interest rates and low inflation are two other points that help inspire some consumer confidence. On the business front this budget also specifically seeks to encourage investment by business people.

• (1240)

We will have a 2 per cent cut in the tax for manufacturers and processors. I think this is very important. Manufacturers and processors will also be able to write off the investment they have made in their equipment more quickly.

The Small Business Financing Program will enable people in business to borrow money at lower rates. Second, the ceiling on loans available to small businesses will be doubled.

I would like to say in conclusion that I almost consider this to be a dream budget. Many of the reasons why I came to Ottawa are contained in this budget: cut taxes, cut spending, cut the size of government, help the middle class through investments in their own homes, give them low mortgage rates so that their income is not sucked off in interest payments and help families. The child benefit helps families. There is tax fairness now. We will not have common law couples taxed at a lower rate than traditional families.

These are all goals that I had when I first stood for office. I am proud to support a budget that today encourages those goals, helps return some money to middle class Canadians and gives people a real sense that there is reason to be confident and that Canada now can really see a bright and powerful light at the end of the tunnel.

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, I listened very carefully to my colleague from across the way. He said that our party brings forward what is negative about the budget.

I wonder if he can enlighten me on what is positive about the budget. He does not talk about the food banks. We do. There are more McDonald's today than food banks. Even McDonald's has a commercial that says we are in tough times.

The budget does not do anything for the 1.5 million Canadians who are unemployed. The budget also shows that over the next two years we are going to be running at 10 per cent unemployment.

I have problems with that when I go and face people in my constituency. Parents come and tell me: "We have a few kids. We were both employed. We have our house. We were making our mortgage payments and our car payments and I was laid off. My unemployment is running out". I look at them and I do not have an answer. If this budget does not have answers for my constituents then I believe that the budget has failed.

We cannot help but see what this government has done over the past seven years. This budget is a repeat of the budgets of the past. In 1981 and 1982 I was a small businessman. I can assure members across the way that although we were in a recession we were able to survive. We fought our way out of it. Now businesses cannot fight their way out of it. They are saying enough is enough and they are folding. The bankruptcy rates have skyrocketed. In 1981 and 1982 they were not as high.

I know that the hon. member gave us some credit when we pushed for the RRSPs. I wonder if he agrees with me that we have to look at what is negative about the budget in order for us to bring the positive aspect out. Does he see one positive aspect in this budget when we have 1.5 million Canadians unemployed and when this budget clearly states that over the next two years our unemployment will be at 10 per cent? Does he agree with me that the Minister of Finance has failed us once again?