

*Industrial Development Bank Act*

ought to be publicized more. One sees this on page 2 of the 1966 booklet to which I previously referred:

Ask for this booklet. It tells how you may obtain an I.D.B. loan to help start, modernize or expand your business.

Just below that I found these words:

—Industrial Development Bank—term financing for Canadian businesses.

I submit that the wording ought to have been "term financing for small Canadian businesses". Most small merchants I have talked to are under the impression that the I.D.B. has no significance for them and will not help them. I think there ought to be publicity to show that it will help small businesses.

I believe also that special attention ought to be given to my province, Saskatchewan, as it has problems which are different from those of other provinces. On the board of directors of the bank two members, I notice, are from Alberta and one is from Manitoba, but there is not one from Saskatchewan. I submit that a Saskatchewan man ought to be on the board.

In the provincial distribution of loans the amount loaned to Saskatchewan is much less than the amounts loaned to Alberta, Manitoba or to British Columbia. I shall dwell more on this aspect on second reading. In the meantime I wish to say that a Saskatchewan man ought to be on the board of directors to deal with Saskatchewan problems. Also, merchants ought to be given more publicity on how the bank can assist them.

**Mr. Herridge:** Mr. Chairman, the minister's statement was brief and I intend my comments to be equally brief. Before dealing with this question I wish to explain that I speak simply as an inexperienced old rancher who is, shall I say, unskilled in the intricacies of high finance, banking and similar matters. But I have always been given to making two and two equal four when it comes to doing business.

My experience in investing throughout my life has mostly been in hard work—that is, until I was elected to this house.

**Some hon. Members:** Oh, oh.

**Mr. Herridge:** I think the Industrial Development Bank has proved valuable to small industries and businesses. From personal experience I know that the bank has been of value in maintaining employment in certain small communities and in developing tourist and related industries. A number of

[Mr. Pascoe.]

such instances have been brought to my attention.

In my opinion the officials of the bank have done a very good job. When people apply for a loan the circumstances are investigated, gone into carefully, and if the proposition looks sound a loan is granted. The bank has been of value to a number of small communities in my district.

I think that this increase in capital is perfectly justified under the circumstances. More development is taking place at the present time and I must say that I like to see small, local industries and businesses being given the opportunity to develop. I would rather see such enterprises develop in our own society than have them owned by mammoth corporations.

When the minister spoke he said that the debentures of the Industrial Development Bank will be purchased by the Bank of Canada in order to provide capital to be lent to small industries and businesses. That interested me. The question I wish to ask again—it has not been satisfactorily answered, though I have raised the matter on a number of occasions—is this: If the Bank of Canada can issue debentures on which loans to small industries and businesses are based, why in the world cannot the Bank of Canada at the same time issue loans to municipalities and provinces and thereby provide the social capital required for the building of hospitals, schools, highways, public institutions and facilities. I wish the minister would deal with that. The matter was raised by the hon. member for Nanaimo-Cowichan-The Islands. On this point the members of our party are in agreement with the members of the Social Credit party.

I cannot see why we cannot use the Bank of Canada to do what I have suggested ought to be done, particularly when the minister said this evening that the Bank of Canada will purchase debentures that will be issued by the Industrial Development Bank for the provision of capital. Small businesses and industries have already benefited under this legislation and will benefit to a greater extent when the legislation that is currently before the house is passed.

• (8:50 p.m.)

**Mr. Schreyer:** Since everyone who has spoken so far has been brief and to the point, perhaps I should speak with equal brevity. There are a few aspects in the operations of the Industrial Development Bank upon which I should like to comment and about which I should like to question the minister.