

pering as a result of the budget. I suggest that the article takes a respectful and neutral position. It reads in part as follows:

We would be remiss if we didn't refer to Michael Pitfield, Clerk of the Privy Council office, the top mandarin and intimate of the Prime Minister. When Pitfield was fired by Joe Clark, he rolled more than \$100,000 into an RRSP. When he was reinstated in his job, he refused to give the money back, even though there would have been no tax cost.

Pitfield got his protection. And then concurred in closing this loophole. If he had any sense of honour or decency, he would give back the money today. And if he says he doesn't know how, we'll explain how to do it without tax cost, and without charging him fees!

To that I say aye, aye!

So to conclude, Mr. Speaker, I support, as does my party, today's amendment to the Small Businesses Loans Act, Bill C-84. I can only add that any amendment that will assist Canadian small business will be supported by this party, especially in light of the reprehensible budget proposals that have been tabled in the House by the Minister of Finance.

It is ironic and somewhat indicative of the intellectual impoverishment of this present Liberal administration that we have all-party support for an amendment extending legislation born by a Conservative government while at the same time Canada faces a revolution in the business community caused by the proposals in the recent Liberal budget.

Some hon. Members: Hear, hear!

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, at the outset I should like to say the New Democratic Party supports Bill C-84, to amend the Small Businesses Loans Act, which would increase the maximum amount of all loans that may be guaranteed during the two-year period ending June 30, 1982, from \$850 million to \$1.5 billion.

It is unfortunate that the minister and his parliamentary secretary are unable to be in the House. Perhaps if this was the most that I had to say about small business I would also be hiding behind the curtain.

Some hon. Members: Hear, hear!

Mr. Riis: I must say that it is not what is before the House that concerns us at this time as much as what is not before the House, those things that are omitted from the bill. The New Democratic Party has just held task force hearings across Canada in the past few weeks, and at the various stops small business organizations, chambers of commerce, boards of trade and individuals appeared to comment on the health of the economy in Canada in general, on the budget specifically and especially the provisions of the budget which directly relate to the small business community.

● (1550)

I can say without any exaggeration that their response was not an enthusiastic one and was not one of endorsement of the government's policies but, rather, was a response of unbelief, a virtual condemnation of the budget provisions which had an influence on the small business community, and certainly a universal condemnation of the high interest rates and monetarist policy being pursued by the government.

Small Businesses Loans Act (No. 2)

I believe that when one looks at the way in which the government approaches the small business community and at the kind of signals it sends out to the small business community which would indicate its support or lack of support, the message is very clear indeed. In all fairness, this might not be restricted only to Canada. At the recent eighth annual symposium of small business which was hosted by the Government of Canada, one noted that there were hundreds of representatives and delegates at the symposium; yet when one looked around at the number of small-business men who were represented by their own presence, what was notable, in fact, was their absence. Government officials, bureaucrats, financial representatives and leaders of various organizations were in attendance. However, the actual rank-and-file man in the trench, the small-business man, was not there, probably because he could not afford to travel that distance or to neglect his business affairs for two or three days in order to attend the conference. But for whatever reason, it seemed to me to be another indication that small business is not held in high esteem in this country, and perhaps in other countries, and that small business is not receiving a clear signal from the government that, indeed, "We are there to encourage, nurture and support you".

When one looks at the number of government programs which are in place to assist business per se, one notices that at best, out of 200 programs which can be identified to assist the small business community, only a handful are clearly directed at the small business community. Again, six or seven programs out of 200 provide a very clear signal to the members of the small business community as to how the Government of Canada feels about them.

However, I guess the lowest blow of all is the continuing support of Canada's monetarist policy of high interest rates. The Governor of the Bank of Canada, the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. MacEachen) are on record, day after day, as saying, "This is the way to beat inflation." Recognizing that inflation is undoubtedly one of the major problems facing us, I think we must clearly state there are two ways of fighting inflation. Certainly, one way is to reduce the amount of money spent by government. We in this House recognize that hundreds of millions of dollars are frivolously spent by the government which could, in fact, be cut out of the budget, perhaps without anyone noticing it. However, the other way to combat inflation is to increase the productivity of this country, to lift the productivity up so that it balances out with the rate of spending. Perhaps we should approach it on both fronts. Federal government spending should be reduced, but the level of economic productivity in Canada should certainly be improved.

Is there anyone in this House who, for a moment, would begin to suggest that the present high interest rates are increasing the productivity in our country? It is very clear that we are into a very serious recession bordering on a depression. I feel very strongly that if there is one thing which is not occurring in our country today, it is an increasing level of productivity.