

*National Development Policy*

\$1 million or a business that has assets valued at from \$25,000 to \$50,000. To my way of thinking, businesses that would be in the upper bracket of that category certainly would not be small businesses. Moreover, is it not logical to conclude that businesses with an annual production of close to \$1 million or with assets worth from \$25,000 to \$50,000 can certainly negotiate at the banks any type of loan they may require? Therefore I suggest that before proposing any such subamendment the C.C.F. group should have got together on the basic tenets underlying it. It is indeed most surprising to see private enterprise being championed in the house by the C.C.F. group.

Again I cannot fail to note the rather startling contradiction in their thinking. They come before the house and tell us that small business needs assistance. Why does it need this assistance? It needs assistance to help it to grow. If it grows, then it becomes big business. If the C.C.F. party ever came to power, would they not then have to take measures to stop that so-called small business or industry from developing and becoming big business?

I really believe, Mr. Speaker, that the solicitude of the C.C.F. party for small business is of recent origin. I note that the hon. member for Kootenay West has declared that quite recently, and I emphasize those words "quite recently", the philosophy and program of the C.C.F. has recognized the importance of the small business sector of our economy as part of a mixed economy. He went on to say that some people might remark that he had become somewhat mixed in his thinking. I believe that is what has occurred. I feel that the particular consideration given by that group to small business has no other origin than the announced intention of the labour congress not long ago to form a new political party for which strength would be drawn from the labour, professional and farm groups and groups of small businessmen. I think that is the real interest. When such appeals are made in this house for support for small business, it is nothing less than a political move.

The party of which I am a member, and which presently forms the government, is really the party that has befriended private enterprise and small business for a great number of years. Surely, the members who sit on the government side are not business tycoons or business magnates. They are simply representatives of the spirit of small private enterprise which makes up the strength of this country. They do not need lessons from the C.C.F. group in order to support the interests of small business. The only remark I can make about this strange

marriage between the C.C.F. group and small business is that politics will often make strange bedfellows.

The speech from the throne contained an announcement that a sort of advisory council would be created for small business to study the needs of this section of our economy. I have no doubt whatever that amongst those needs which will be studied will be the need of small business for long term borrowings. I submit that before we adopt measures extending loans to small business we should form this small business section, which will be composed of specialists, to ascertain what are the real needs of small business in the way of an expansion of credit. Once these things have been made known, then the appropriate legislative measures can be taken.

Again I emphasize the fact that small businesses do need a lot of help and a lot of consideration from this government. I submit that they have been getting it and they will get it in a form which is traditional to our way of thinking. This help certainly should not smell of socialism or of state enterprise. I believe it is not the role of government to go into the business of lending money in the way the subamendment suggests. Government should rather create the means, provide the climate, in which small businesses may find the credit that they need.

Recently an excellent brief was presented by the Canadian tourist association in which they recommended the government should guarantee loans through chartered banks to the operators of small tourist industries. Now that is one possible solution and it could be extended to other sections of small business. It may not be a sound solution because the chartered banks are not always ready, because of the way they are made up and because of the necessity to maintain liquid assets, to extend long term loans.

Perhaps another solution to this problem of extending credit to small businesses would be for the government to guarantee the debentures or bonds which could be issued by small businesses, much in the same way that some governments guarantee bonds that are issued by municipal or school corporations. However, before we can adopt any of these means, a thorough study must be made of the part that small businesses must play in our growing country, a country which, by the very fact it is growing, has become more and more complex every year to administer. I do not feel we should condone the habit into which the C.C.F. has fallen of looking upon big business as some kind of giant juggernaut that is overrunning this country. If