

*Government Orders*

I have a brief comment on the interest rate. The bill only offers a lower interest rate than what would generally be available. It does not increase the availability of financing. The important point has been made by everybody that obviously the commercial lenders are going to have to be primed on this program and the kinds of opportunities it can provide.

I would, with these very short comments on the legislation, encourage the government to ensure that we have the material when of course the legislation is finally passed. I would say that we could use the referral of this bill to committee as a real opportunity to hear from all sectors, including the banks. Let them come and defend themselves and obviously promote some of the work that they have done. I think that will be an important opportunity for legislators and the business community to hear, on the record, the efforts the banks are making. Perhaps there will be some advice about using this legislation to help businesses in our ridings.

In conclusion, from the New Democratic Party and in particular from our member for Okanagan—Similkameen—Merritt who has done the bulk of the work on this issue, we are encouraging all members to support and get the early passage of this bill.

**Mrs. Christine Stewart (Northumberland):** Mr. Speaker, I am very pleased to have the opportunity to speak today to Bill C-99. The bill proposes to not only change the name, but refers to the Small Businesses Loans Act. Anything that affects the viability of small businesses in our country must be of concern to every member of Parliament in this House.

I will repeat what others have said. It is small businesses that are the backbone of employment in our country and the backbone of our economy. Certainly we hear the dramatic news day after day in this House throughout the recession and the problems that the recession has caused for big business in our country, but we do not hear of the day-to-day terrible examples of how the recession and the economic difficulties have plagued the numerous small businesses in our country.

Certainly my riding of Northumberland is no exception when it comes to small businesses having experienced many difficulties. We have seen many businesses that were forced to close and go bankrupt. Many individuals had to go bankrupt through this very difficult time.

Anything that can help small businesses across this country is of great importance to me.

Through the economically difficult times, I have listened to many people who run small and medium-sized businesses in my riding. They complain to the government about the many increased taxes and the great difficulty they have with regulations which involve filling out forms and so on. These have added enormously to the work-load and is something that small businesses in particular have a great deal of difficulty coping with.

Besides listening to all of those complaints, the second largest villain has been the banks and the relationship of small and medium-sized businesses to banks. Many small businesses have found for example that their lines of credit with their banks have suddenly been cut in half or curtailed completely with no warning. This has caused many businesses to fail and has caused severe employment problems in my riding.

I am hopeful that through this amendment to the Small Businesses Loans Act we can work out a new relationship between small businesses and banks that will be to the advantage of both the banks and small businesses.

I would acknowledge that although most businesses and many unemployed individuals have gone through great hardship during the economic recession, it has had the effect of causing a lot of small and medium-sized businesses to become much more efficient. They have had to look at the totality of their operation and try to determine how they could be running a smarter small business. I think that many of them have made very good and important adjustments and today are running more efficiently and more economically.

I also know that gradually the banks are beginning to ease up on their loan policies.

Some of the changes in this bill are welcome. Here is an example: Previously, a business was eligible if it only earned \$2 million in revenue. Now, a small business is defined as one that can earn up to \$5 million in revenue. I welcome that. I welcome other changes such as the one that says when a small business applies for a loan it can make a purchase that can be approved if the purchase is made no more than 90 days before the loan is approved. Through this revision of the bill, we state very clearly that the maximum amount of an eligible loan rises from \$100,000 to \$250,000. There are other advantages.