

services have been cancelled. Once again small businesses will have to pick up the broken pieces.

[*English*]

In politics we say put your money where your mouth is. In every speech politicians always make sure that there is a paragraph about small business, but it is only lip service. If we talk about small business it is time we put some money where our mouths are. The Government, just to prove the contrary, has cut \$13 million from a service that really addressed to small business. Therefore, when the Government wants to tell us that it is the champion of small business, it should put money where its mouth is because it is not helping small business at all.

[*Translation*]

Mr. Speaker, of course we could discuss what we would do with the Federal Business Development Bank. As I said in my report, I was privileged to chair the Liberal Party of Canada's task force in May 1987, and we made a number of proposals. Concerning equity, we know and everyone agrees that if there is one area where small businesses have serious problems, serious difficulties, it's the lack of capital. Borrowing is not good enough, because a business that relies on that only, is definitely not viable when interest rates rise to the levels we have seen and are still seeing. This is one of the reasons why 80 per cent of businesses do not survive more than five years.

Our report recommended that the Federal Business Development Bank offer a capital stock service, under which the Bank could buy stocks in projects, new businesses very interesting development-wise, and withdraw when the time came, when the business were able to pay the loans back. These moneys would have enabled the start-up of a number of projects instead of gathering dust on the shelves of various financial institutions. The same goes for loans, and of course management consulting, information and training services, which could have been helped financially.

• (1730)

Mr. Speaker, you are signaling that my time is up, but I would simply like to suggest that two or three years ago, the Federal Business Development Bank proposed and established the AIM Program—AIDE in French. That information program regrouped all services and programs helping federal and provincial businesses, and even municipal ones in certain cases. Instead of extending those programs to all regions, they introduced it in

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the hope the Government would step in and encourage them. But, if they slash \$13 million, the AIM program definitely will be axed.

The CASE Programs, six or seven months or a year from now probably will be discontinued also. And according to my information, the training program also would be terminated.

To sum up, the Business Federal Development Bank, if it remains unchanged, will only serve a small clientele, namely medium businesses unless the Government gives it another mandate.

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, I welcome this opportunity to take part in the debate on the motion by the Hon. Member from Okanagan—Similkameen—Merritt (Mr. Whittaker), especially following the speech made by my friend, the Hon. Member from Saint-Léonard (Mr. Gagliano).

It is quite appropriate that we should talk about small business and its development as a strong and vibrant component of this country's economy.

[*English*]

This year the Federal Business Development Bank is again organizing, in co-operation with local members of the Canadian Chamber of Commerce, the tenth annual Small Business Week. It provides an occasion to pay tribute across Canada to the hard working men and women who operate Canada's small businesses.

[*Translation*]

The Bank participates in many other programs, such as the Student Entrepreneurs Loan Program which helps young people set up businesses during the summer months; a special loan program for mollusc producers in the Atlantic Provinces and in Québec; and a program designed to assist small exporters finance foreign accounts receivable.

As you can see, Mr. Speaker, there is no doubt about the vitality of the small business community in Canada.

[*English*]

At the Federal Business Development Bank small business is indeed a first priority. We on the government side agree in principle with Motion No. 126 as outlined by the Hon. Member for Okanagan—Similkameen—Merritt. We can, of course, take some exception to a few of the details that both Hon. Members have presented to us, but they are on the record and they can be taken into consideration. Concerning Motion No. 126, we would