

Private Members' Business

This cuts off the availability to the United States market for our small business people. I turn to a letter I received at the end of February 1992 from LA Systems Ltd. of Penticton, British Columbia. This is a manufacturer in my riding that creates recreation products designed for use in public parks settings. Mr. Tim Arbuthnot states:

It has recently come to our attention that the National Park Service has created a hurdle we find difficult to accept. It appears their policy is to "Buy American" only and have implemented this policy due to their financial involvement on several of our specified projects. We are not well versed on the ins and outs of free trade but have always assumed the Canadian Government has encouraged the manufacturing sector to export. At this time there is no other product being produced like the "Waterplay" components we design and produce. As a small business we influence several jobs dependent on our sales success and we are set on pursuing the North American market along with a number of overseas locations. We are poised to sell our products that are in great demand to the offshore countries and find it hard to believe that we would be faced with these free trade barriers in our own backyard.

That is only one example of many of the problems that industries and small businesses in Canada have faced in trying to enter the American market.

With the view that the free trade agreement was to open up the markets and ensure that there was a broader sales base for our manufacturers, it seems to me that those are not working very well for our local manufacturers and we have to be much more aggressive in ensuring that we help our businesses as it appears the Americans are helping theirs. We must ensure that small business remains viable by ensuring that we target a certain number of businesses as the Americans have to purchase from the small business community.

In looking at some of these small businesses, I wonder if the free trade agreement is not working and if we got skimmed as it appears we did in the area of procurement within the United States market and yet have a ceiling of only \$29,000 Canadian against the United States into the Canadian markets. We have to be somewhat concerned in a North American free trade agreement.

I refer specifically here to a problem that has been run into by SunDew Foods Ltd. of Okanagan Falls, British Columbia. It states in a letter to Michael Wilson:

I am very concerned about the actions of your government pushing ahead with the NAFTA. I own a small food processing company in the Okanagan Valley which processes about 8,000 tonnes of tree fruits and berries each year. We have a payroll of some \$500,000.00 per year and put about \$1,000,000.00 into the Okanagan farmer's pockets. Our experience with the CUSTA has been bad enough. The level playing field we were promised has proved to be elusive. Our company is now getting regular petitions from communities in Washington who would like us to re-locate across the border. They can offer us lower taxes (both municipal which is 20% of mine and there is no state tax for my company), lower cost of money, lower labour costs and the ability to label my products with an "American Made" label for ready access to the USA market. I can dump product back into Canada because of the FTA.

Mr. Speaker, you are motioning that my time is up. However, under the rules I understand that I have 20 minutes to speak.

• (1720)

We did not get started until 5.04 p.m. when I rose to my feet. I would assume that I would be able to speak until approximately 5.24 p.m.

The Acting Speaker (Mr. Paproski): It really does not matter whether we did start at 5.04 p.m.. Private Members' Business starts at five o'clock.

I will allow the hon. member extra time but I do not necessarily have to do that.

Mr. Whittaker: Mr. Speaker, I appreciate your leniency with me on this topic and I will try to wrap up as rapidly as possible, given your generosity.

What I would like to do specifically at this stage is to turn to some suggestions for the government in trying to push forward with what I see as the thrust of this motion to ensure that Canadian small business is helped out and those producing Canadian products are helped out by the Canadian government.

First of all, I see that there should be a small business set-aside program so that more government contracts are set aside for Canadian small businesses similar to the set-aside program in the United States. Also, there is a premium of 12 per cent in the United States added on. In other words, it is a 12 per cent incentive to the United States suppliers.