

Our forthcoming conversion to the metric system will also entail expenditures for many small businessmen. Judging from what colleagues on both sides of the House have said on metric conversion, the costs will be staggering, and small businesses will need to borrow under the Small Businesses Loans Act.

Small business depends to a great degree on the Post Office. I am sorry not to see the Postmaster General (Mr. Blais) here; he was here earlier this afternoon. The Post Office is the lifeline of many small businesses, and if it is not working well, small business suffers. We have it on reasonably good authority that the Post Office is not working well, that it is not firing on all 16 cylinders, so to speak, perhaps only firing on two or three. One hears rumours of impending strikes. How will they affect small businesses? Many of them will seek additional funds.

I know small businesses must be viable and that the government cannot throw money down the drain. Earlier today I discussed with the minister the difficulties of a certain businessman about to go under. The minister agreed to look into the case. The man in the tourist business is carrying a huge mortgage at 14 per cent. Perhaps through the federal business development bank or some other agency some solution can be worked out to keep his business afloat.

Our small business establishments are the very lifeline and backbone of our communities. By their very nature they provide a high degree of diversity, which contributes greatly to the stability of our towns and villages, indeed of our country. Yet little by little they are being forced out of business. Many of these people established their businesses over the years without receiving billions of dollars of government assistance in various forms. They built their businesses with hard work over long hours, faith in their communities, faith in themselves and faith in Canada. But no segment of the economy is more vulnerable than small business to the red tape of bureaucracy. They are defenceless in the jungle of conflicting requirements unless they hire corporate lawyers, tax consultants and government relations men, and people of that calibre are usually in the pay of large companies. Many regulations can put even prosperous companies in financial trouble, even bankruptcy.

Mention was made of the importance our neighbour to the south placed on small business. A report concerning small business says this:

1. The existence of a large number of small, independent businesses helps to preserve competition, thus ensuring increased efficiency and high quality and reasonable prices for consumers.
2. A large number of small independent businesses decreases the likelihood of excessive economic and political control.
3. Small business offers an opportunity for the expression and growth of personal initiative and individual judgment.
4. Small business is frequently the source of new products and new methods.
5. Small business constitutes a large and diversified source of employment opportunities.
6. Certain services essential to the economy can be performed best by small business.

It goes on to say:

In the United States, a national small business program has existed for almost three decades. Because of the Small Busi-

ness Act, one third of federal spending for goods and services goes to small business. Since the United States has a program to benefit small business, we can hardly object to a similar Canadian program. Imagine what a larger small business sector could mean to Canada: more jobs, less need to import, retention of profits in Canada, and accumulation of valuable technological know-how. There's really no question. Canada must pass legislation committing the federal government to building domestic enterprises using the same wording and definitions as the U.S. Small Business Act. It seems to us that it's time Canada adopted something from the U.S. that makes sense for a change.

● (1740)

I am aware that there has been some assistance for the small businessman.

An hon. Member: A mere pittance.

Mr. Darling: Yes, but we are going to press for more. I am aware that many members opposite think the same way. I quote:

In the United States, it's different. The U.S. Congress has passed laws requiring that, wherever possible, small businesses should be involved in public purchases, whether aerospace projects or office supplies. On very large, expensive projects, the main contractor is expected to sub-contract much of the work to small firms. Last year, this policy resulted in one-third of the federal government's total spending of \$54 billion being directed to small business.

I hope this government will follow their example. We have often been told that big is wonderful. However, we should start to realize with regard to small business that small is beautiful and efficient and we should give the small businessman the opportunity to compete and become bigger.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion, the nays have it.

Some hon. Members: On division.

Mr. Deputy Speaker: I declare the motion lost on division. Motion (Mr. Jelinek) negated.

Hon. Len Marchand (for the Minister of Finance) moved that Bill C-48, to amend the Farm Improvement Loans Act,