

National Development Policy

Apparently, hon. members on the government side are unable to differentiate between the two.

I could go into further detail on this matter, Mr. Speaker, but I will merely refer to a chart prepared by the dominion bureau of statistics showing the percentage of increase or decrease in respect of independents and corporate chains in this country. For Canada as a whole I find that from 1951 to 1956 corporate chains increased from 35 per cent to 41 per cent and as a result independents decreased from 65 per cent to 59 per cent. I find that in my own province of Ontario the rate of change is even faster. In that same period from 1951 to 1956 corporate chains increased from 49 per cent to 56 per cent and as a result the independents were reduced from 51 per cent to 44 per cent.

I say it is high time that the government of the country should look into the matter and provide some form of assistance to the small businessman who really is the true, free enterpriser. The government should make sure that some effort is made to give small businessmen a hand before they become extinct.

Mr. Paul Martineau (Pontiac-Timiskaming): Mr. Speaker, I should like to say a few words to point out some of the contradictions and confusion that certainly exist in the minds of some of the members of the C.C.F. group. We have before the house an amendment to the amendment proposed by the hon. member for Kootenay West (Mr. Herridge). He wishes to add certain words to the motion of non-confidence of the Liberal opposition, those words being "long term loans to qualifying small businesses".

When the hon. member for Kootenay West first got up he congratulated the Leader of the Opposition (Mr. Pearson) for his efforts, as he put it, to rescue this country from the deficiencies of private enterprise. He even went so far as to state that he would issue a membership ticket to the Leader of the Opposition. He had no sooner finished that statement than he started to expound how the amendment put forward by his party could save that same private enterprise about which he was talking.

There is also a considerable amount of confusion in the minds of the members of the C.C.F. party as to what may constitute a qualifying small business. The hon. member for Kootenay West stated that it was a business primarily interested in the local community. He also said it was a business that did not call on foreign or exterior capital and also was a business that would reinvest all its profits in the locality. In answer to a question at the end of his speech he said that a small business was a business that

could not issue shares or float loans by means of debentures or bonds.

First of all, Mr. Speaker, may I say that I am not an exponent or particular friend of big business but I do know that big business as it exists and is organized today is certainly most vitally interested in the community in which it engages in its activities. As everyone knows, when a business locates in a particular place it employs local labour. Every effort is always made to find among the local population all the help that the industry needs. It is also the employees of so-called big business, which in the minds of the C.C.F. members represents such a menace to this country who are most active in all social welfare activities. You see them as heads and directors of social clubs. You see them everywhere taking the interests of the community to heart. Certainly they are the first contributors to all public campaigns where contributions are necessary to help worthy causes in the particular area.

If so-called big business has had to call on foreign capital it is because such capital was not available where the resource was being developed, the mill was established or the plant or industry happened to be. It is because capital could not be found locally that they have applied for and in certain cases obtained capital from exterior sources. There is absolutely nothing wrong about such a procedure.

The hon. member went further and said that the profits of small businesses are re-invested locally. That may or may not be so. In many cases the owners of so-called small businesses do not even live where the profits are made. These businesses, although small, may be controlled from a distance and the profits that the owners make may certainly be reinvested elsewhere, even outside the country. Therefore that is not a true definition of what a qualifying small business may be.

Nor is the definition any more accurate when the hon. member states that it is a business that cannot issue shares or raise loans by debentures or bonds. As we know, many small businesses today are incorporated. The shares may belong wholly only to one, two or three persons. Yet these incorporated businesses can issue shares and raise money by bonds while at the same time remaining small businesses. That was one definition given to us as to what constitutes a small business.

The hon. member for Port Arthur (Mr. Fisher) gave another definition in answer to a question. He said that in the United States a small business is one that has a turnover of less than \$5 million. He went on to say that in Canada it might be only