

*Small Businesses Loans Act*

**Mr. Baker:** Mr. Speaker, I will complete my first comment. I knew he would say that he agreed with those provisions of the Bill. I should like to put a follow-up question to him. He claims that banks want to take advantage of the loans of the federal Government when they should have been granting those loans under their normal banking program and therefore we have a fee on the backs of the banks. The hon. gentleman is also saying that now they will grant loans under their normal lending program.

There is nothing in the Bill which makes banks give loans to anybody. That is where the fallacy of his argument falls down completely. What has happened is that the New Democratic Party has taken a position on the Bill, as stated by its spokesman, which it now knows is wrong. Now it has to try to justify it; but it cannot be justified with that kind of argument.

Again I ask the hon. gentleman where in the Bill it says that banks have to loan that same money to small-businessmen, which he claims in some cases was a give-away, was not really a good loan, and should have been administered under their normal lending program. How does it now protect businessmen who would normally have received the loan but probably now will not receive it under the normal banks' programs?

**Mr. Parry:** Mr. Speaker, I believe that question is answerable. I am glad the Hon. Member said that my fallacy fell down. The Liberal tendency with fallacies is, of course, to erect them into principles.

What I am talking about is the higher grade of loan applications which bank managers encounter. Under the old regime of 100 per cent responsibility on the part of the federal Government, the tendency was that the banker took in an application which looked pretty solid but said, bankers going on conservatism as they do, that maybe he would write the loan under the Small Businesses Loans Act and cover a portion of his anatomy with his head office, his regional office. Therefore, as I said, many loans were written under the Small Businesses Loans Act which in a system that perhaps had a little more initiative and daring would have been written on the bank's own loan portfolio.

If those loans go from the Small Businesses Loans Act portfolio into the bank's general portfolio, of course there is room created within the fund's limits for the consideration of other loans which might be of a riskier, more speculative nature. Therefore bank managers can spend their time on, and regional offices can give their consideration to, other proposals which may indeed have merit.

There seems to be an assumption on the part of my hon. friend that once an application has been condemned as speculative it is of no further use; but it may have merit and could be assessed under this type of financing and, if found viable, financed.

**Mr. Bob Horner (Mississauga North):** Mr. Speaker, it gives me great pleasure to rise and speak on Bill C-23, an Act to amend the Small Businesses Loans Act. It is very fitting that it is on this Bill that I am making my so-called maiden speech as

a Member of the House representing the constituency of Mississauga North.

**Some Hon. Members:** Hear, hear!

**Mr. Horner:** There exists within the Bill far-reaching benefits. It will bring a better future for both Mississauga North and Canada. It has often been said in the House and elsewhere that business, particularly small business, is the engine of the Canadian economy. Nowhere is this more true than in the riding of Mississauga North. A Bill such as this one will do much to improve the environment in which these very important firms thrive and prosper. It will bring great benefits to all Canadians.

I wish to inform the House as to why I see so many benefits forthcoming, not only from the Bill but also from that which it represents—a new attitude, a new direction by government in the country. The riding I represent is very much like this great country of ours. Mississauga North is a young riding. Like Canada, its greatest days lie ahead. The energy and enthusiasm of youth is evident everywhere. Our role as a Government is to ensure that our future remains bright.

Growth is the byword to describe Canada, a relatively young country which has leaped into the forefront as one of the leading nations of the world. Sometimes for better, sometimes for worse, we have experienced tremendous growth. Mississauga North epitomizes that growth. Having only come into existence in 1976, my riding has already exploded to the point where at the next election its population will exceed 300,000 people. The huge potential that exists for both Mississauga North and Canada is truly the key to realizing our goals. We must learn to live together and to work together so that we can achieve our great potential to the benefit of all Canadians.

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Mississauga North consists of people from all corners of the globe, and they have found a way to live together in harmony that benefits all. In the short time that I have been in office serving the people of Mississauga North, we have had over 2,000 new Canadians welcomed into our community. I, for one, take great pleasure in meeting these new Canadians, in talking with them, and hearing of their dreams and goals for the future.

New Canadians perhaps most clearly reflect that which is so promising about our great nation. They wear on their sleeves the dreams of a better life for themselves and their children. I know that the potential for a better life exists in Mississauga and I know that it exists in Canada. I am sure that with the introduction of legislation such as Bill C-23 and with the direction that the new Canadian Government has shown, these people will be able to fulfil their dreams and reach their goals.

I would like, if I may, to talk for one minute about the reasons why the riding I represent has experienced such phenomenal growth of late and why it is one of the most successful communities in our country. As I said earlier, Mississauga North is relatively new. In fact, the City of Mississauga has only recently celebrated its tenth birthday. It has, however,