

Small Businesses Loans Act

An hon. member who spoke some time ago said that lending institutions discriminate between central Canada and the rest of the country. I am absolutely certain that the amount of money put back into any area, say, in Saskatchewan, by lending institutions in the forms of loans is not nearly as great as it ought to be. Many people who are desirous of obtaining loans from lending institutions in certain parts of the country find it difficult to do so. We ought to require lending institutions to return or make available to any part of the country, amounts of money that have been taken out of that part of the country. They should make available to those people seeking loans the funds they require. It seems that people living west of Winnipeg, right through to British Columbia, have much more difficulty obtaining loans than do people in central Canada, who apparently have no difficulty at all.

Apparently there is no limit to how much money a person in central Canada can obtain for housing purposes, the building of apartment blocks and ancillary projects. This is because our lending institutions seem to follow a policy of making money available for people in central Canada. We ought to make certain that the money of lending institutions is made available to the people living in the extreme eastern and western parts of the country as well as those in central Canada. I also think that lending institutions ought to be obligated to disclose from what part of the country their income is derived. At the same time regulations ought to be drawn up to make sure that our lending institutions provide prescribed amounts of money to municipalities and other like bodies that need capital.

We should make certain that people living in parts other than central Canada obtain the necessary services of our lending institutions. If the treasury branches of the province of Alberta were included within the provisions of the legislation, they would fill a great need. Unless the treasury branches are included in the legislation, the people of Alberta may not obtain the relief they desire.

Mr. Gray: Mr. Speaker, I should like to respond to some of the comments which have been made by hon. members. The hon. member for Battleford-Kindersley (Mr. Thomson) expressed some concern that institutions that now are being authorized to make small business loans under the provisions of this act may not have money available to make such
[Mr. Skoberg.]

loans. May I remind him and all hon. members of the House that we sent to the finance committee last week bills to amend the Trust Companies Act, Loan Companies Act and the Canadian and British Insurance Companies Act. One of the purposes of those amendments is to enable the institutions covered by these pieces of legislation to attract more deposits and, hopefully, to be in a better position to make loans of the types which are authorized under the amendments in this bill and under other statutes regulating their operations. I hope hon. members will keep the comments of the hon. member for Battleford-Kindersley in mind when they decide on the pace of the consideration to be given to the bills which have been referred to the Standing Committee on Finance, Trade and Economic Affairs for study.

• (4:10 p.m.)

Further, I should like to indicate that one purpose of these amendments is to provide a climate which will encourage the financial institutions covered by the act to make loans under it.

The hon. member for Gander-Twillingate (Mr. Lundrigan) made a number of useful comments, as did other hon. members. I want to state for the record, if for nothing else, that, as he surmised I was indeed, making some notes while he was speaking so as to be in a better position to comment later on what he was saying—I always like to follow carefully what the hon. member has in mind. I should like to assure him I always do whatever I can to respond to his requests. I was concerned when he suggested he had asked me to look into something and that I had not responded. The only incident I can recall is his request that I look into the regional impact of the tax recently enacted in connection with airline tickets. As I pointed out in the course of the debate on that subject, this is a complicated matter and in these circumstances I thought he would not expect an immediate response. However, had he kept in touch with me I would have told him something to confirm that I had begun working on this request.

I believe it is useful when replying to the hon. member for Gander-Twillingate and others who have spoken in this debate to call to mind that loans under this legislation are made by the banks and other financial institutions involved, not the government. The money for the loans comes from the banks, not from the government. This act authorizes the government to say to the financial institutions which are covered: If you are willing to