

*Improvement Loans*

should like to know who pays for them. Is it the long suffering taxpayer?

I should also like to know which company provided the furnishings for the office, and the location of this company. What was the total value of such furnishings? Were bids ever called within the community of Williams Lake for the provision of such furnishings? I very much doubt that they were.

In addressing these questions to the minister today I must put on record the response I had to my earlier inquiry directed to the Minister of Industry, Trade and Commerce. It is a classic example of government secretiveness:

It has not been the practice nor is it considered appropriate to ask questions which relate to the direction and management of the Federal Business Development Bank. By its act of incorporation, responsibility for the direction and management of the business of the Bank rests with the Board of Directors.

Mr. Speaker, it is time this responsibility rested, at least in part, with members of parliament, and I urge the minister to assure the House that something will be done about this situation so that the FBDB can answer to parliament directly.

**Mr. Harquail:** On a point of order, Mr. Speaker, during the course of the debate this afternoon the hon. member for Kootenay West (Mr. Brisco) had an interesting exchange with the hon. member for Northumberland-Miramichi (Mr. Dionne). Your Honour advised the House that you did not hear the exchange. The remarks had something to do with education, and the hon. member for Kootenay West suggested he could assist the hon. member for Northumberland-Miramichi in that regard. Someone mentioned being a principal of a school, and the hon. member for Kootenay West said the hon. member had no principles, and he did not withdraw that remark.

**The Acting Speaker (Mr. Ethier):** Order. I well understand the reason the hon. member is seeking the floor on a point of order. This would be a question of privilege but it is certainly not a point of order. I have to recognize the hon. member for Palliser.

**Mr. Stan Schumacher (Palliser):** Thank you, Mr. Speaker. First of all I should like to congratulate the minister who is piloting this bill through the House. It is the first opportunity I have had to congratulate him on his appointment. I should like to encourage him in the task he has undertaken and in his efforts to make life a little more pleasant, efficient, and profitable for the small businessman who definitely needs a lot of help these days.

I am only sorry that the bill we are discussing is really not meant to add very much in the way of assistance. It is merely a measure to continue a program which was started back in 1961. It was a step forward at that time but circumstances have certainly changed a great deal since then and the present legislation, even though it is being continued, is not sufficient to resolve the problems which small businesses face.

● (1520)

Basically this piece of legislation does four things. It increases the size of loans by 50 per cent; it extends the life of the legislation for another three years; it adds about \$400 million to the government's responsibility for guarantees; and it increases the eligibility of businesses for assistance by 50 per cent in terms of size. I suppose that the acts are being brought up to date bearing in mind inflation which has occurred since the acts were first passed, so there is not really much advance. Certainly the legislation does not meet the basic needs of businessmen, farmers, and fishermen in this country today. It is in the nature of a band-aid approach to problems which are strangling small business and farmers with bureaucratic and other forms of red tape, about which we heard from the hon. member for Kootenay West (Mr. Brisco) and the hon. member for Okanagan-Kootenay (Mr. Johnston) this afternoon.

Business from coast to coast faces similar problems, and this is one area of unification which has not been seriously considered by the government. If handled properly, the solution to these problems and the promotion of the importance and strength of small business and the free enterprise system on which Canada was founded could, and would do much to help disarm many disunifying forces in our country today. I suggest that this is one issue which is apolitical, above language or cultural disharmony, one which should receive continued and appropriate assistance from a federal body truly committed to the building of the nation.

The present government and its predecessor rushed recklessly to protect and to reinforce the viability of large central corporations. The United States and West Germany are examples of the converse situation, where attention has been given to small business by the central government, with a beneficial effect on their economies. As an example of what this government has done recently in this connection, let me cite the case of Flextrac-Nodwell of Calgary. This company was acquired by Canadair before the federal government took over Canadair, and recently it was decided that Canadair should spin off this operation, which manufactures track vehicles.

For some months, Mr. Speaker, I tried to obtain information from the Department of Industry, Trade and Commerce about the government's intentions, but received none. However, after the fact it was learned that the government had decided to dispose of that operation to its competitor, the Foremost Company, which also makes track vehicles, notwithstanding the fact that I had put the government on notice that other people were interested in making a bid for that business. When I asked why the government had taken this step, I was told it was because the competitive situation in track vehicles was too keen.

What the government did in this case, in effect, was to promote a monopoly, since the only major manufacturer of track vehicles now is the Foremost Company. In his reply to me the minister said that perhaps the Bombardier Company could be considered a competitor. However, I do not think ski-doo's are in the same category as track vehicles which carry oil exploration equipment in the north.