

*Adjournment Debate*

employees or less, employing 40 per cent of the Canadian workforce. Of those, 35 per cent are located in western Canada. Certainly for my constituents in Provencher small business is an important aspect of the local economy.

In 1990 despite the difficult operating environment of small business, small firms with less than 20 employees filled the employment gap left by large businesses as they restructured or closed. In fact, smaller expanding and newly established firms accounted for virtually all of the net job creation during the recession of 1990.

One of the principal obstacles to the growth of small business in Canada has been what is described as the credit crunch. Expansion into new global markets by utilizing new technology and advanced equipment occurs all too infrequently in Canada particularly in western Canada. Yet outside of its leading role in job creation and economic growth the significant contribution of small business to the economy is its ability to be self-financing.

Long term debt of small business accounts for 25 per cent of business financing with government grants and loans less than one-third of 1 per cent. The credit applications of micro businesses or those with even a smaller number of employees, 20 or less, I regret to report are rejected very frequently. However we know that in 1993 in particular most of the job growth occurred in this area.

Outside of that obstacle one of the other things we face is the difficulty in providing the human resource capabilities and capacities to staff those young and emerging new firms which create jobs in Canada. We know that in Japan 96 per cent of the students graduate from grade 12 with at least one year of calculus while comparatively in Canada 30 per cent of our young people do not even finish high school. We are told by Statistics Canada that 36 per cent of our people have difficulty even with basic numerical and reading material.

As employers in Canada not only is there a credit crunch and a deficit in terms of financing for small business but the young people and the human resources we need to staff those firms are lacking as well. I think we can compete successfully in Canada. We have the capabilities, the human resources and the infrastructure resources. I point particularly to my riding of Provencher and Atomic Energy of Canada that has been successful in applying its scientific research applications into world markets and really is second to none in the world.

• (1840)

My question, and I want to continue on this theme, is what is the government prepared to do to work with the Canadian banks in Canada to ensure that small business and people who are putting their lives, their resources, their homes and what they have on the line to run these small business, have access to

capital and to increase the training in Canada for young people and in western Canada in particular?

**Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans):** Mr. Speaker, I thank the hon. member for an excellent question.

Let me just say, as the hon. member said, that small businesses create 85 per cent of the new employment in Canada. If the government can create the right environment, small business will take the lead in promoting more stable economic growth in western Canada.

In the past too much reliance has been placed on using public funds to attract large corporations. This has encouraged a culture of grantpreneurship when we want to encourage entrepreneurship. We need to encourage co-operation among jurisdictions rather than competition.

In a period of fiscal restraint, the government must work more effectively with the limited dollars available. This can be done by relying on the entrepreneurial talent of westerners and by working on the entrepreneurial talent and strategic partnerships with provincial governments and the private sector.

To encourage small business that generate new jobs, the Minister of Western Economic Diversification directed on November 26 that the western diversification program focus its repayable assistance on independent small businesses, usually with less than 50 employees.

Projects are now being assessed on the basis of their contribution to the strategic diversification of the western Canadian economy.

To create the right climate for business, governments must work co-operatively and pool their efforts in implementing strategic economic initiatives. By working together and not duplicating efforts, we can save tax dollars and create new jobs.

A recent report by the Calgary based Canada West Foundation estimated that the removal of interprovincial barriers could result in the creation of 28,000 new jobs across the four western provinces.

As well, economic and administrative co-operation—I know my time is up, Mr. Speaker, but let me just conclude that there are a number of areas—

**The Deputy Speaker:** Thank you very much. It was an excellent conclusion.

## THE ENVIRONMENT

**Mr. Myron Thompson (Wild Rose):** Mr. Speaker, it gives me pleasure to talk about this issue again under Standing Order 37(3) regarding Sunshine Development in Banff National Park.

Calling a FEARO panel to assess development of the Goat's Eye ski run in the government approved leaseholding area of