

*Small Businesses Loans Act*

implemented all this confusion by design to destroy absolutely the private sector. There is no one out there who can make a decision or who knows what to do. Personally I have had to pay \$150 each for four rulings out of the Department of Finance, and I waited from five to seven months for them. I notice the Department has stopped that habit, but it was another \$500 in fees to which it was not really entitled.

● (1620)

I do not want to abuse the extra time I have been given, but we must do something about this Act if we want the private sector to survive. I tell the Minister of State for Small Businesses and Tourism that the continuing escalation and costs of this program and all other programs, even FBDB programs, will be more than the Treasury can handle. I think it is dealing with the life of the private sector now, and perhaps it is by design.

**Mrs. Jennifer Cossitt (Leeds-Grenville):** Mr. Speaker, I welcome the opportunity to speak on Bill C-144, a Bill to continue providing necessary assistance to our small-business community. Five thousand small businesses received assistance in 1981 and 1982. I might add that it was necessary and welcome assistance provided through the legislation contained in the Small Businesses Loans Act. Had this assistance not been made available to them, I am sure they would have joined the many thousands of small entrepreneurs which have succumbed to bankruptcy.

I am particularly pleased with the urgency the Government has shown that this program be continued because there are currently few Government programs which offer any direct assistance or relief to small businesses. We must, at all costs, ensure that this community remains healthy and viable.

Since 1961 when this Act first came into effect and up until last September when the latest statistics were tabulated, over 100,000 loans were made to small businesses, worth almost \$2 billion. Yet this has obviously not been enough to enable a great number to survive. Despite the 12,000 loans made in the first nine months of last year, there was still a record number of bankruptcies recorded in 1982. In fact, there were 33 per cent more bankruptcies in 1982 than there were in 1981 and 63 per cent more bankruptcies than in 1980, just two years earlier.

It is with these statistics that I am very concerned. Indeed, all Hon. Members of the House should be very concerned. Every month I see one more store closed, one more notice of receivership in the newspaper in Leeds-Grenville, and all I can think of is: How many people will be joining the constantly growing number of unemployed; how long has this business been struggling to keep going; what little assistance would have been required to keep it in operation?

These businesses being forced into bankruptcy are not young, inexperienced businesses, but rather businesses which have been run by families for generations, businesses which have served the community for many decades. These are small entrepreneurs which we all expect to continue to prosper

because they have been aroused for so long, they have many years of experience and knowledge behind them, and when they finally give up the fight to stay alive, we are brought to the appalling realization that the small family business is in very grave jeopardy.

My riding is comprised of people who have lived there generation after generation, with small businesses handed down through their families, and they have provided many useful services to their community. Yet I know of numerous family businesses that have had to close down and give up because they have been forced into a corner by present disastrous economic circumstances. Many are being faced with the decision of filing for bankruptcy or selling out to larger conglomerates, so that the business will stay alive and people will not lose their jobs.

The people in Leeds-Grenville do not give up easily. They fight to survive. I know when a firm in my riding has to call it quits that the company has tried everything possible to make a go of it. It has contacted every Government agency or anyone it feels can be of assistance. It has borrowed all that it can to pay bills and maintain operating costs. It has cut salaries and laid off employees, with the hope that these cost-saving measures will aid it to weather the economic storm so that it can return to normal and bring about a healthier operation. But after all the efforts, many are still faced with the same choice—sell if it is not too late or declare bankruptcy.

I know and have felt the anguish through which these firms have to go with the final decision they have to make because I have worked many long weeks on their behalf, suggesting possible alternatives and providing necessary liaison with Government Departments in the slim hope that there just might be something to save them and enable them to remain solvent. It is the most heart-rending experience to know that all one's efforts have failed and the company is forced to give up.

We have only three cheese factories left in Leeds-Grenville, one of which, the Forfar cheese factory, has been in existence since 1863. It has become quite a landmark in Leeds, being well known for the excellent cheese it produces. Some years ago it was faced with the need to close down, and 17 local dairy farmers got together and decided to keep it operating. As I said before, we in Leeds-Grenville fight to survive and have a great sense of community spirit. We do not give up easily. The Forfar cheese factory is still in production today and is visited by many tourists, as well as many Members of the Chamber who enjoy its products.

Unfortunately other businesses have not fared so well in my riding. The Johnson Shoe Company is a firm that was operating in Brockville for 30 years, but unfortunately it was left with no other alternative but to close its doors for the last time earlier this year. I could go on and on with other examples of family businesses which have been in existence for generations and have had to close down. It is when institutions like the Johnson Shoe Company which have been operating for