small business. We are working on a number of fronts in that regard.

Notwithstanding this, the small business community requires access to loans. We are committed to meeting that requirement because we recognize the important role that small and medium sized enterprises play in the Canadian economy. It is important to note that the SBLA program is a program for small business, not big business and not medium business but small business.

Only companies with revenues of $2 million or less are currently eligible to participate in the program. This means the assistance implicit in the program is being directed to the small end of the business spectrum in terms of size, but I might add that it is the big end of the spectrum in terms of contribution to Canada's economic well-being and growth.

In fact, I think most Canadians know that 81 per cent of all the new jobs in the last 10 years in the Canadian economy were created not by big business but by small businesses, those with less than 100 employees.

As members are also no doubt aware, small business is a major engine of growth in this country. For example, almost 99 per cent of the approximately 900,000 incorporated businesses are small—they have fewer than 100 employees—and 36 per cent of total business employment is represented by the small business community. Since 1984 small business has created, as I already said, over 81 per cent of net new jobs.

Small businesses also play a significant role in the creation and use of innovation, which is so vital in the increasingly competitive world in which we live. For example, more than one-half of the Canadian companies carrying out research and development have fewer than 50 employees. These facts and figures state simply and powerfully the key role that Canada's entrepreneurs play, in many cases with the help of the SBLA.

• (1330)

When I ran for public office the first time in 1981 I was concerned about the increased dependence of Canadians on big government, big institutions, big business, as shown in the seventies. I saw other countries with a tremendous amount of entrepreneurial dynamism. I was worried that Canada did not have that.

Since the early eighties this country has become much more entrepreneurial, and the SBLA program has played an important part in helping to make that happen. Since its inception some $7.6 billion in more than 280,000 loans have been disbursed under the program. In recent years almost 40 per cent of all loans have been to start ups, with 60 per cent to clients that were less than three years old. This program helps companies get going, especially in the early stages.

It also means jobs, and this is very instructive. Based on figures reported by the borrowers, in the range of 24,000 jobs were created by the program's clients last year alone. With the net cost of the program for that year of just $27 million this amounts to an average cost per job of just over a thousand dollars—a very cost effective performance.

This is why members of the House of Commons from all parties are fans of the SBLA and why they support it. There were some very constructive comments made by the Liberal member and the NDP member on this particular part of the bill with regard to the Small Businesses Loans Act.

In a nutshell the program provides banks and many other smaller financial institutions such as *caisses populaires*, with an 85 per cent guarantee against loan losses for eligible loans. That is how it works. Private sector lenders are the sole delivery agents. There are no government bureaucrats delivering them. People just go to their financial institutions and apply there. We set the rules and the lenders make credit decisions within those rules. We do not have an array of officials administering the program. Only 22 government employees do all the work.

The loan guarantee enables lenders to make loans to businesses which they would not otherwise undertake without the guarantee, for example viable companies with a limited track record or with inadequate or inappropriate collateral. In particular risky types of businesses or perhaps those outside the major metropolitan areas are generally clients of the program.

This bill will allow us the opportunity to further improve what is already a successful and necessary program for Canada's small business sector. The change we are proposing is supported by the small business