

*Income Tax*

But this bill will materially assist small businesses in the constituency of Assiniboia by improving the fundamental financial environment in which they operate. It represents a very sound and good beginning on a variety of changes with respect to small business. As the work follows this beginning, as it must and will, I expect businessmen in my constituency will have a great deal of good advice to offer on where the small business policy for Canada should lead us. In that connection I think there are a number of ways in which they can offer advice and have input into the policy formulation process.

The establishment of a special ministry with responsibility for small business is a great development, but there are two other ways in which small business operators in my part of the country will have the opportunity to present ideas and opinions and have an influence on the direction of Canadian small business policy.

The first way they will have that input is through the Canadian Federation of Independent Business. A great many business entrepreneurs in Assiniboia are members of that organization. I believe that it is largely a representative group. It is the first nationally organized voice of small and independent business operators in this country. They have done a great deal of work to prepare themselves and prepare the cases they want to make to government as a group of businessmen with particular problems and particular opportunities. I believe, by and large, they have approached their task in a constructive and positive way. That organization has a great role to play in the future in helping government develop the appropriate kinds of rules and policies with regard to small business operations.

● (1807)

In this regard, I was attracted the other day by a comment on a news broadcast by the president of the Canadian Federation of Independent Business, Mr. John Bulloch. He was commenting shortly after the speech delivered in this House on October 20 by the Minister of Finance on the economy which, of course, is embodied to a certain extent in the legislation before us.

Probably more important than the opposition's rather political commentaries on the economy are the reactions of those Canadians who actually have to make the economy go. In this connection a significant statement was made just a few days ago by Mr. Bulloch.

In reacting to the Finance Minister's October 20 statement, Mr. Bulloch had a rather extensive comment to make. He talked about the statement in the House of Commons on October 20 as being a realistic statement. He called it an honest statement. He talked about the will of Canadians to tighten their belts and get back to work. He predicted confidently in the course of the coming year that economic conditions in this country, as a result of this economic statement and other measures, are likely to show considerable improvement. In contrast to what we hear from the opposition, Mr. Bulloch's comments were sound, practical and constructive. They will do

[Mr. Goodale.]

a lot more to help than the kind of ranting we hear from across the way.

Second, in addition to their involvement in organizations such as the Canadian Federation of Independent Business, which is a very useful and constructive group, for the business operators of Assiniboia constituency, I have another method in which businessmen in that part of Canada will have a direct way to have an input into the development of government policy in so far as it relates to small business.

Over the course of this past summer and fall I have been exploring the idea of developing within the constituency a working committee of businessmen who would be in a position to review in an ongoing way the laws, rules, and regulations which relate to their operations. In a practical and specific way they could point out to me, and through me to the government, the ways in which they think those laws and rules and regulations could or should be changed in order to meet more practicably the particular needs of their small business enterprises.

I think, with a working group of businessmen operating in such a specific and constructive way, passing their views along to the government, we will have a very basic expression of opinion about what our policy ought to be. Such an exercise would have a rather significant impact on helping to direct government policy in that direction. I have had the opportunity to discuss that idea with both the present and the previous minister responsible for small business in the government. I believe both ministers are prepared and are indeed anxious to co-operate in an effort of that kind. When circumstances present themselves in this regard, the Minister will hear in a first-hand manner their ideas and suggestions for government policy.

As far as the present bill is concerned, there are two specific elements relating to small business, and as well to farmers, which I want to highlight in particular. First, there is the extension and the expansion of the investment tax credit. We saw in the March budget, and it is repeated in the legislation before us, the extension of that tax credit on investment provision for another three years. We have seen an increase from 5 per cent to 7½ per cent on investments in my part of the country. We have seen the percentage adjusted to take into account the regional sensitivities of the country. It is an example of how federal policy takes regional disparities into account so the available tax credit can be at different percentages in different parts of the country, depending upon the regional developmental opportunities and challenges which exist.

This example of tailoring or finetuning this legislation to take into account the differences between different regions is a very useful and positive development. It is one which I hope will be repeated in a whole variety of federal programs which require sensitivity to differences between one region and the next.