

*Small Businesses Loans Act (No. 2)*

because I cannot sell my business and still enable myself and my wife to eat. They take it all."

**An hon. Member:** Shame.

**Mr. McCain:** Do those to your right have no heart, Mr. Speaker? Suppose this man owned a small sawmill in the province of New Brunswick, and Domtar, or Bathurst, or Fraser's came along and said, "We want to buy your sawmill and your lands". There was another complication which I neglected to mention earlier—it was that those who would borrow the money to make the downpayment would have to pay for that payment in "after tax dollars", since interest would not count as it heretofore would have counted in such a case. So neither could the buyer afford to buy nor the seller afford to sell. But if some multinational or large corporation, Canadian owned, wanted to buy a sawmill under similar conditions, they would not have the same interest problem as a purchaser because it would not reflect in their books that they had borrowed money to buy. And you could not sort it out if you tried.

So the large corporations can now buy out the small guys, Mr. Speaker, and so it goes on and on and on. But private individuals, such as members of this House, cannot effectively get a loan to buy a business to become small business people because of the adjustment in the tax structure. Your interest paid is not a cost to your operation as an individual. This whole thing is quite ridiculous. This seems to be a sort of climax, Mr. Speaker. I have said much the same thing once before in this House. This seems to be the climax of a situation which started with Benson who was dumped, that was reintroduced under the Hon. John Turner, who began just gradually to bring this in. It was at that time that an individual who wanted to be a small-business man appeared before some of our members and told them he had a chance to go into small business. He said this business would help him to live a little more comfortably in his retirement. Then he said, "But when I look at what the capital gains tax would do, etc., in the Turner era, it just is not worth the risk to employ 14 people and I am not going to do it." Now, Mr. Speaker, if that was the attitude in the Turner years, what would that individual think about investing today? It has become ridiculous—but it was introduced at that point in time.

How much better it would have been had the government introduced an incentives budget. Then it could have reduced its expenditures. How much better it would have been if the commentary on this budget could have been, "There will be production. We will reach for more productivity. We will give incentive to business. We will give incentive to the development of the oil sands. We will give incentive to the development of the offshore resources on the east coast of Canada. We will inspire people to invest." And what would have been the difference? We would probably have had 200,000 or 250,000 less people unemployed. We would have had a tax base from those 250,000 people. We would not have had to scrounge every cent that every taxpayer has.

What is the government trying to do? I charge this government, Mr. Speaker, with establishing a tax base which encourages the inefficiencies of private enterprise, or discourages them to the degree that this government will be able to justify itself when it says: "We are going to socialize, we are going to nationalize, we are going to take this country over by virtue of the tax and regulation impact of the budget." Many people in this nation will be discouraged. Is that the base it is trying to lay to justify nationalization and further government interference?

• (1740)

A question was raised today by the hon. member for Joliette (Mr. La Salle). He asked why we do not have a definitive answer on what is to be the government's position in respect to a subsidy for the dairy industry. That has been under study and will be under study until the poor cow's udders have gone dry. This has been under study for months. The gestation period of that program far exceeds that of any bovine. No bovine needs as long a gestation period as the Minister of Agriculture (Mr. Whelan) requires. When in the name of all that is good and holy is he going to get on his toes, get this job done, report to the dairy industry and get it on its way?

I know one reason. It has reached the stage where the DREE committee is now considering grants for tourism, for agriculture, for fishing, for forestry and many other different items. This government and this Minister of Agriculture have no idea. One minister does not know what his colleague is doing. He does not know what is going into tourism, forestry, agriculture, mining, highways or public works because it is going through a dispersed structure of government which is so confusing that no one has a handle on the whole deal. Why not bring this back in place so that we can treat it as we should, intelligently and without having to look at the minister responsible for forestry to see what is being spent there and what is being spent through DREE. It is ridiculous. It is defeating.

It is in the bureaucracy where the additional expenditure is coming. Did it ever occur to the government that we might save \$5 billion or \$10 billion in Canadian money down the road, which we are going to give to the Arabs, if we had an incentive budget for the development of our resources in eastern and western Canada? Today somebody asked me what I wanted for Christmas. It was a puzzling question but I think I have the answer. I want an intelligent government that is interested in people employed, in providing incentives for production, in leading this country and laying it on the line to Canadians that we must have better productivity. I want a government that is more interested in productivity and incentive than in writing unemployment insurance cheques because it gives them a high profile, helping the poor people. They believe putting out unemployment insurance cheques gives them a high profile and that it would have a low profile if the country were prosperous. Is there an insidious seed in the mind of the government that it can destroy the country and develop a political profile by sending out aid? I have to feel there may be.