

*Small Businesses Loans Act (No. 2)*

**Mr. McDermid:** No, I cannot do it. I have already given him enough flak. I just hope he looks into this kind of thing that is going on in his ministry and all the others who support this great "buy Canada" policy.

Let me give another example of how this government is wasting money and not helping the small businessman. I have here a brochure put out under the authority of the Secretary of State for External Affairs (Mr. MacGuigan). This is a beautiful brochure with nice glossy pictures and glossy prints. It is entitled "Urban Transportation: The Canadian Experience". It is one of the best publications that has been put out by those people over there. It is going to help all kinds of small-business people in Canada who work on urban transportation. I think it is a terrific book and it was going to be circulated—here comes the hooker—right around the world, so we could sell our urban transportation to the world. But do you know what happened, Mr. Speaker? The minister for some reason—and we do know the reason—cancelled it after there was printed I do not know how many thousand copies. How many copies was it? I wish the minister would look into that question and let us know. I am sure it was thousands. Do you know, Mr. Speaker, what I was told as to why they were cancelled? It was because there were not enough pictures of Montreal in it.

● (1730)

**An hon. Member:** You are kidding.

**Mr. McDermid:** No, I am not. There was too much of Ontario in it. That was the excuse that was given—there was too much of Ontario in it after they printed it. Look at this book—glossy pictures. That is an example of the waste that is going on over there. They are damaging small business people who could probably have gotten some advantage from this. It is just nonsense, Mr. Speaker.

I am supporting this bill, Mr. Speaker, but in closing, and in spite of all that I have been saying, I do want to acknowledge that the Minister of State for Small Businesses has a tremendous load on his shoulders, as do those Liberal backbenchers who did not have one iota of input into the budget. Not one iota, Mr. Speaker, yet they are the ones who have to go home and defend it. And they are having trouble defending it. We speak together privately and they have been telling us the problems they have. We know what they are going through and we feel sorry for them, but at the same time our challenge to them is to come back and tell their minister and the Minister of State for Small Businesses to clean up their act and to help small businesses, not damage them.

**Some hon. Members:** Hear, hear!

**Mr. Fred McCain (Carleton-Charlotte):** Mr. Speaker, we are coming to the close of a debate which deals with a subject matter which is much broader than the single concept of small business. It must be considered as taking in the farmer, the fisherman, the small jobber in the forest, the small jobber in business, in a multitude of ways—the retailer, the small producer, etc. It covers a very broad spectrum. It is not to be considered in isolation.

It is my wish to mention that some of the effects of the budget will generate a great need for this particular legislation and will generate a great need for the expansion of money supplies to other agencies of government where other small businesses are concerned, such as agriculture. For instance, one of the pieces of information which has crossed my desk indicates that a particular farmer who was in the livestock business has undergone a change in his tax requirement by virtue of this budget. How much is it? His taxable income has gone up by something in the neighbourhood of \$34,400—that is a 12 per cent increase. But his tax has gone up by 46 per cent, or \$23,000. Just imagine what it means in an era when the Government of Canada, through its Outlook Conference, tables statistics which indicate that farm income in the crop year ahead is going down by 15 per cent and yet the farmer's tax load, in some instances, is going up 46 per cent. What a contradictory situation we now find ourselves in, Mr. Speaker. What people are saying is that most of the farmers in the area owe more to the bank or to the feed store than their farms are worth.

I quote from another source, a lady who says:

We are closing down. We're tired of spending money but not making any.

Time does not permit one to quote all the worthy letters one receives in a situation like this, but I do want to quote one more item. It reads:

The \$45 million will in any case only refinance 450 farmers at \$100,000 each, or 225 farmers at the \$200,000 level. This is for all of Canada.

Might I add a comment, Mr. Speaker, and say that one district manager received two applications from family farms which, if he had approved them, would have absorbed the total allocation of additional money through the Farm Credit Corporation to his branch. That was in an area where, I submit, a multimillion dollar requirement existed and he could not look after two family farm operations with the extra money provided. I ask the gentlemen to your right, Mr. Speaker, to give some thought to the inadequacies of this situation.

The measure before us is just a drop in the bucket. To oppose it would be in opposition to the principles which we happen to support, namely, that there must be some recognition of this need in the country. Supporting it is an expression of our recognition of this fact, but it does not suggest, Mr. Speaker, to you or to anybody else in this nation, that it is in any way adequate to meet the needs which exist in such quantity in this country.

Not 48 hours ago, a friend of mine called me and said he wished to report something to me. He wanted me to know what the budget did to him. He said he had worked for a lifetime in a little business he owned and now had an opportunity to sell it to some of his family and to some who had served him loyally for a good many years. He said: "Last year I could have retired, but this year I cannot retire and sell it to those people". Why, Mr. Speaker? Because, as he said, "I have to pay my capital gains tax now. It would take my bank account and the first payment and I will have nothing, not a thing left on which to live in the next year. I must therefore seek out management and try to find some other means of retirement