

Small Businesses Loans Act (No. 2)

money should be spent. They simply cannot do it, and history teaches us this. Rather than Poland being a food exporter today, as it was, its people are now standing in line waiting for food.

This is where small business people come in. Small business people are really the buttress, the group which can make quick decisions. When the economy is going sour, they can make the necessary adjustments to get back on stream, which is impossible for the government. We have found that to be the case with PetroCan. We have \$1.5 billion in it. We must remember that it started out with the \$300 million or \$400 million which we put in. It took over one company. It was not working, so we gave it more money. Every year we give it hundreds of millions of dollars. It still was not a success, so we gave it access to 25 per cent of all northern lands from which to choose. That still was not working, and now we have the flowering of the policy to expropriate wealth from the people who have found oil and give it to Petro-Canada. The reason for this is clear. That company cannot fail because if it did, the political image of the government would be tarnished. It does not matter how much money it will take; Petro-Canada will succeed if they have to take over every oil company in this country so there are no competitors.

● (2140)

Mr. Taylor: It is straight communism.

Some hon. Members: Oh, oh!

Mr. Taylor: Behind the scenes communism, and you are hiding it but the people are waking up.

The Acting Speaker (Mr. Deans): Order, please. The hon. member for Témiscamingue (Mr. Tousignant) on a point of order.

Mr. Tousignant: Mr. Speaker, I have listened to the hon. member since he began speaking. It seems to me that he thinks he lives in the year 1881. I should like to remind him that we are living in 1981.

The Acting Speaker (Mr. Deans): That is an interesting reminder.

Mr. Thacker: Mr. Speaker, it is interesting how hon. members get exercised when they are given a clear enunciation of principles and a clear explanation is given to the people of Canada of what it means to vote Liberal, what it means to vote NDP as compared to voting for this party. This party believes that government should basically restrict itself to regulation—I do not care how strict the regulations are—so that there cannot be an exploitation like that of the 1880s. The hon. member for Témiscamingue (Mr. Tousignant) should remember that it was the people of France in 1790 who had to have a revolution in order to get government off their backs and that it was the people of the United States who had to have a revolution in order to get government off their backs.

The Canadian people are going to be faced with exactly the same choice, although perhaps not in my generation because I

will survive and not in the generation of my son or daughter because they will survive. We will teach them the system and they will be able to manipulate within it. One day the ordinary citizen of Canada will have to fight the French and the American revolutions again in order to get government off his back because the problem is government per se.

There is another attack on the 330,000 farmers in this country who are small-business men as well as the 2.5 million people who work for small business in Canada. That attack in the budget was clearly related to capital gains. It has effectively blocked small business people who have worked their whole life, taking perhaps only a meagre salary, and who would use the proceeds of the sale of the business for their pension when they retired. Until the last budget was introduced, such people used to sell the business to their children under an agreement for sale whereby the payments would be spread over ten or 15 years and the capital gain realized on the sale spread over the same period. In each year they received a payment from their child, they would pay a portion of the capital gains tax and keep the rest of the money for their pension.

Sometimes, in the case of farmers, the children could get a loan from the Farm Credit Corporation or, in the case of a small business, from the Small Business Development Bank. They could get the cash and then give that to the parent who would buy an income-averaging annuity and spread the capital gain over 10 or 15 years, and thus have a good pension. That scheme has been wiped out by the budget. The government insists that the forward-averaging provision will be equally generous but it has not been able to demonstrate this is the case I am convinced that forward-averaging is not going to be as generous to a man or a woman of retiring age—perhaps because it often happens that they do not live long enough to enjoy the benefit of it.

I think figures will show that if a farmer sells his property and then dies within the next year, the government will take the bulk of the estate, even though the spouse might be involved.

I could go on talking about the other budget attacks such as energy costs and employee benefits that have been taxed, higher housing costs, higher food costs, unemployment—I could wax eloquent about how the solution is more small business entrepreneurship, with the government acting as regulator and setting regulations to protect people so that those with initiative and drive would be able to compete in the marketplace. That would mean a continuous process of the weak and inefficient dropping out of the system. But when government becomes involved, anything it touches never has to apologize thereafter, even if it is inefficient. The system is just perpetuated.

A classic example of this, one in which I am sure you will be interested, Mr. Speaker, as you come from an Ontario riding, concerns the automobile industry. Very few Canadians realize that lay-offs today in the automobile industry are the result of government decisions taken in 1973-1974 to keep the price of Canadian oil depressed. That decision sent signals to ordinary Canadians that the price of gas would remain low and so they