

Government Orders

• (1330)

We have said before that we would like to perhaps create an environment. I should not say perhaps, that is too soft a word. We must create an environment where small and medium-sized businesses not only have access to capital, but can maintain a cash flow, especially in a time of need such as we are experiencing today, so that they do not experience the kind of problems that my colleague from Broadview—Greenwood illustrated in some examples earlier.

We might consider decreasing the capital gains tax to improve prospects for new Canadian enterprises and to raise equity in public markets. We might even consider the indexation of capital gains exemption for investments extending beyond five years to encourage long-term investments.

What we would have to do as well is increase the capital cost allowance for investment and tax credits for capital investments. Through all cases let us keep in mind that what is most important is cash flow for small and medium-sized businesses. Today we are looking at how we can encourage lenders, either positively or with a carrot and stick approach through legislation, to make funds available for business needs today.

The other villain is ourselves. Some of our tax policies, the bureaucracy and red tape that we impose on small businesses have to be cleared up. There is no need to impose greater input costs on small businesses. There is no need to impose greater costs from an accounting, record keeping and tax point of view at a time when what small and medium-sized businesses need is to get people off their backs, governments off their backs and have the freedom to do what they do best.

That is to take risks that produce results, create jobs and provide for much more competitiveness and productivity, producing goods that can be competitive not only here at home but for the export market as well.

Mr. Speaker, I know that my time is up. The point is if we have people who, despite the psychology that permeates a depressed environment in the economy today,

are willing to take risks, let us not put obstacles in their path. Let us use whatever power we have at our disposal to give them access to money. Let us create a responsible environment so that money is put to good use.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I first want to compliment the Minister for Small Businesses and Tourism for introducing this legislation today. It is vital to the small business community, small business persons and sole proprietorships throughout this country.

Also, I compliment his department for providing us throughout the introduction of this legislation, Bill C-99 that is before the House today, with very important succinct research data. That has assisted us greatly in arriving at certain decisions that we on this side of the House will be making in the next short while with respect to the legislation.

I say at the outset, as my colleagues have said prior to my speaking today, it is without question that we will be supporting this legislation. We look forward to bringing this legislation to the committee and proposing certain changes to make it more operative and more simple for the small business community to understand what will be before them in the process of extending the availability of capital. In essence the bill is extending the availability of capital to the small entrepreneur in Canada from the present limit of \$100,000 to \$250,000.

As I said, we will support and propose changes at the committee stage and we will do everything within our power to hasten its passage. It is legislation that is absolutely needed by the small business community of Canada today.

Hopefully at the outset what we will do in committee, and it will be a recommendation, is make the legislation before us today and previous legislation as it affects small business communities in this country and the small business person and the sole proprietorship—I think it is very important to include the sole proprietorship—in the most simple terms so that it is understandable to all of us. I have over 20 years experience as a small business person in Thunder Bay.