

Government Orders

[English]

The Liberal party, contrary to the Conservative government, recognizes the vital role small business has in our economy. We are conscious of the essential part small business plays in job creation in Quebec and in Canada.

We have always supported small business. During the last election we made a commitment to help develop small business through new and creative initiatives, one of which was the setting up of an integrated information network with the help of the Federal Business Development Bank, which has just had a nice cut. A mere 50 per cent of its revenues have gone through the generosity of this Minister of Finance.

What about the assistance the Conservative government is giving, or rather, forgot to give to small business? What about the Small Businesses Loans Act? Does the Minister of Finance need a reminder of its original purpose? It was to guarantee small business loans from financial institutions. But, as we can clearly perceive through this budget, the government does not seem to recognize the importance of small and medium businesses in Canada.

[Translation]

Madam Speaker, traditionally the loan ceiling under the Small Businesses Loans Act has been increased regularly, based on the rate of inflation and the needs of small businesses. That was tradition. But the last time the ceiling was increased was in July 1980—and I repeat 1980—when it was raised from \$75,000 to \$100,000.

It is high time the Minister of Finance raised the limit from \$100,000 to \$150,000, all the more so that inflation has gone up more than 50 per cent since 1980. How far should it go before the government acts?

Madam Speaker, I would appreciate it if the minister told us frankly for once whether he wants small and medium-sized businesses to disappear, and whether he is hoping for the announced increase in unemployment? Or, on the contrary, as should any responsible government do, whether he wants the well-being of Canadians. Why is he then neglecting the future of our small and medium-sized businesses? Why has the loan ceiling remained at \$100,000 since 1980? Why has the funding of the Federal Business Development Bank been cut by 50 per cent? Is that a Progressive Conservative Party

management method? This is something that is not especially reassuring for the Canadian people.

[English]

When presenting his Budget, the Minister of Finance told us that we have “a responsibility to our children and grandchildren,” and I am quoting him. Could he now explain how Canadians are to live up to their commitments when he announces an increase in unemployment and when his Budget does nothing to support small businesses that generate thousands of jobs? How are Canadians expected to make ends meet with a tax on goods and services coming into effect as soon as January, 1991? How is the quality of life to be improved for our children and grandchildren when job insecurity, inflation and a possible recession are just around the corner? Could the minister clarify all that? It does seem a bit confusing when one reads the Budget, or is it meant to be this way?

[Translation]

Madam Speaker, it is not, as proposed by the Minister of Finance, by taxing food and services and by neglecting small businesses, except at tax collecting time, that the economy of our country will recover and at the same time improve the situation of Canadian men and women. It is not by shifting the federal debt burden onto the provinces that the standard of living of Canadians will improve. Only by assuming its responsibilities and facing reality can this Tory Government really expect to remedy the situation of the Canadian people. But it will have to see things as they are and not as it would like them to be.

“We are cutting our expenditures without increasing the taxes. The tax pressure is already too great in Canada.” That is what the present Minister of Finance said in March 1984. He has certainly forgotten that!

Finally, Madam Speaker, the Minister has repeatedly broken his tax reform commitments. He had promised that his GST would be revenue neutral. It is not. He had promised that his GST would be visible. It is not. He had promised that his GST would be simple. It is not. He had promised that the Crown would compensate businesses for collecting his GST. He changed his mind. How could the Canadian people still trust a Minister who has failed so much in living up to his commitments? How could small and medium-sized businesses hope to survive when the Minister of Finance has cut by over 50 per cent the funds available to the Federal Business Development Bank and refuses to rise the loan ceiling from