

## Supply

• (1630)

On the basis of these recommendations, we outlined in our report entitled *Building a More Innovative Economy* a wide range of initiatives aimed at fostering the growth of small business in Canada.

[English]

In the vital area of financing, we have pressed the banks to improve their relationship with small businesses. We have taken steps to ease access to capital for innovative projects. We are refocusing federal government financing programs to fill in the gaps left by the private sector.

At our urging, the Canadian Bankers Association developed a code of conduct to help ensure accountability, understandable contracts, more efficient credit processing, and an effective method in dealing with complaints. Member banks are incorporating these standards into their own codes of conduct.

The federal regional agencies, such as the Atlantic Canada Opportunities Agency, the Federal Office of Regional Development in Quebec, western diversification, and the federal office of regional economic development for northern Ontario, have all refocused their programs almost entirely on small businesses. Federal agencies now focus on recoverable contributions and information to businesses.

[Translation]

At the end of the 1994 fiscal year, we amended the Small Businesses Loans Act by increasing the credit ceiling to \$12 billion in order to meet the ever growing demand.

On April 1, we implemented other amendments allowing for cost recovery in accordance with our overall deficit reduction goal. These amendments will also help identify the main beneficiaries of the program.

In the next few weeks, we will table further amendments to the SBLA in order to get on with the process of recovering all program costs and make other minor changes affecting lenders and borrowers.

The review of the small business policy clearly showed that one of the most pressing problems facing small and medium size businesses is access to capital.

The review of the role and mandate of the Federal Business Development Bank was a key element of the government's efforts to improve this access.

[English]

The Federal Business Development Bank, since it started almost 50 years ago as the former Industrial Development Bank, has helped Canadian businesses respond to the changing demands of the economy through timely and innovative financing and management services. As the economy changes again, the

time has now come to change the Federal Business Development Act as it stands.

[Translation]

The purpose of Bill C-91 is to modernize the bank's mandate. It is based on the experience and skills acquired to provide the financial and administrative leadership needed by small and medium size businesses in the knowledge-based economy, without neglecting traditional finance sectors.

The Business Development Bank of Canada will be an important source of support to small business, as it will be able to fill in what I would call the "gaps" faced by small and medium size businesses across the country.

[English]

Bill C-91 in no way intrudes on provincial jurisdiction. It does not take powers away from any province. It does, however, make this very important institution more flexible and more responsive to the needs of small and medium sized businesses for the benefit of all Canadians.

[Translation]

**Mr. Gaston Leroux (Richmond—Wolfe, BQ):** Mr. Speaker, I would like to point out to the hon. member for Vaudreuil that he missed something in his remarks. He clearly identified the needs of the small and medium size business sector, needs that we recognize because in Quebec—and there was much talk about this in committee—all the organizations concerned and directly involved with meeting the needs of this industry, not only in terms of development but also in terms of export, have been identified.

• (1635)

Take the solidarity funds, the Pailé project and the regional development fund for example. And now, in the wake of the APEX program, we are setting up in all of Quebec's regions a commissioner of exports system.

The hon. member for Vaudreuil failed to assess the impact of Bill C-91 on regional development. He was careful not to get into the impact of the provision in which the federal government gives itself the power to step in and enter into agreements directly with whomever it wants in Quebec, whether an organization, a regional development council, a municipality, a business or what not.

However, the hon. member for Vaudreuil knows very well that, in terms of regional development, Quebec is the only province where a federal development office called FORD-Q has been established, with offices in every region of the province. No such agency exists elsewhere in Canada. In the rest of Canada, regional development is overseen through agencies like ACOA in the east for Atlantic Canada, WDO, which stands for Western Diversification Office, for western Canada, or FED-NOR in Ontario. And these agencies do not have regional offices all over the place.