

Areas like the police force, the Solicitor General, Justice, Fisheries and Oceans, Communications and National Defence are excluded; therefore, it represents 9 per cent or less of all contracts.

Let me go back to my opening remark. What we have put in place at Supply and Services is working out very well. Contractors say they are satisfied. They wanted to have the opportunity to bid and now they have it; not only that, they can even use their computers and know from day to day what goods and services our government needs. They are then in a better position to bid.

That is why I refuse to discuss this issue further because I feel that the motion proposed by the member is, to all intents and purposes, useless. People say they are happy with the present situation and if ever some improvements are in order, we will be very happy to see what can be done. Representing a riding where unemployment is high and where small businesses want work, you can rest assured that I would be the first one to do whatever is necessary to help them and make sure they have the opportunity to get contracts. As things stand right now, they say they have that opportunity.

[*English*]

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am very pleased to be able to participate in the debate this evening on this very important motion.

My colleague from Okanagan—Similkameen—Meritt has the vision to be able to see that the current system is not supporting small business and has put forward this motion as a means of asking the members of this House to demonstrate their support for small business and for the Buy Canadian program.

I have first-hand knowledge of many of the small businesses in my area and I can tell you, Mr. Speaker, that it confirms my colleague's concerns.

Last week I visited the Institute of Ocean Sciences, which is a federal facility in my riding, located on Pat Bay, for the commissioning of an oil spill recovery barge. One of the things the Institute of Ocean Sciences wanted to do when the facility was first commissioned was to attract those high-tech, high-paying small business firms to the area so that the spin-offs from the Institute of Ocean Sciences would create employment

and create all the spin-off benefits that small businesses generate in my area.

To a large degree that has happened. However, under this government there has been a rejection of that philosophy. It came first in 1989 with the dying of the unsolicited proposals program and those small businesses in the high-tech, high-paying field were strapped by the cancellation of that program.

They also were strapped because of the free trade agreement. The free trade agreement puts additional constraints and penalizes the small business sector in Canada.

Let me give a little background first. Of the number of businesses in Canada, 97 per cent are small businesses with less than 50 employees. That shows us all where the job creation potential is: 97 per cent of business in Canada is small business.

As I was saying, the free trade agreement has put further constraints on small business which has already been constrained by the high dollar, high interest rate policy of this government. Because of those three factors, over 13,000 businesses declared bankruptcy in 1991. I think that demonstrates that we do need some sort of federal initiative to support the small business sector. They are the ones that create the jobs that create tax revenue for our government so that we can pay for our social programs and create a strong economy.

Under the General Agreement on Tariffs and Trade, the federal government does not have to put out to tender those bids that are under \$204,000. So the federal government can buy Canadian under GATT if it does not exceed \$204,000. This is a fairly reasonable bidding process. Until the free trade agreement that was the relationship between Canada and the U.S. Under that agreement the bidding was dropped down to \$29,000, which does not buy a whole lot, particularly in the high-tech, high-paying jobs that we want to create in our country, with the kind of benefits we would have in technology and education.

This would be annoying enough, even as it stands, if it were not for the kind of difference that the United States enjoys. It enjoys an advantage over us because it does not suffer from the same sort of provisions. They have a Buy America Act which protects, to a much greater degree, their small business sector.