

then we can build on what we have to offer for all Canadians and for Canada itself, and we can achieve the great potential of which this country is capable.

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I rise in this debate at the invitation of the Minister of State for Small Businesses and Tourism (Mr. Lapointe). The other day he yelled across the House and said: "If you want to say something, get up and speak." That is exactly what I am doing today. I shall talk about some of the things he mentioned the other day that are quite ludicrous. I have five or six points for the Minister of State for Small Businesses and Tourism. I have a great deal of admiration for him, but I think he should resign because he has no clout in the cabinet. He has been hung out to dry. I do not know how he can appear before his special interest groups, especially the small business groups. He has to appear with his tail between his legs because this budget is a disaster. Maybe Bill C-84 that we are debating today is the little crumb which the cabinet threw to him. Perhaps this is the little crumb that was handed to him so he could go back to the small business people and offer an amended Small Businesses Loans Act. We as a party are supporting this bill.

Let me tell hon. members what has happened with the FBDB. That bank needs money desperately; I understand that. The FBDB has come after a small-business man in my community for about \$4,000. I shall explain the situation. This businessman wanted to buy a small business. He went to the FBDB to make the necessary arrangements. He started out very well with the FBDB and came to the point of signing an offer of commitment. At the same time the vendor of the small business met with the manager of the FBDB. They did not get along. They did not agree on the terms of the agreement. The manager of the FBDB, who I understand has since been fired, announced that in no way would he allow this deal to go through, yet a letter of commitment had been signed. The prospective purchaser was most concerned. He went to the vendor and pleaded with him to give him a larger first mortgage. The prospective purchaser then went to the bank. Because he had acquired a large first mortgage, he got a small second mortgage and purchased the business in that manner. That happened in October, 1980.

Last week this purchaser received a bill from the FBDB. A writ was issued on his small business for \$2,300, on account of the letter of commitment. There was an interest charge of 20 per cent over the last year which amounted to some \$600. A charge of \$800 in costs was added, totalling \$3,700. This bill of almost \$4,000 from the FBDB was presented to the small businessman because the manager said that he would not let the deal go through. He scared the life out of the small-business man, who had to seek financing elsewhere.

The bank is so cash hungry that it is now issuing writs on small-business men, this at a time when small business should not be attacked. Where will this small businessman get \$4,000 at this time of the year? I say let us get this bill through this afternoon and get some money into the hands of the FBDB so the bank does not have to drag money out of the pockets of

business people who cannot afford it right now. The minister should look into those things.

I understand the FBDB have been issuing all kinds of writs. The bank has gone back years into its records and are issuing writs to small business people. Let us get this bill through the House this afternoon. Let us give the bank some money. Maybe the bank will then call off the hounds and leave the business people alone to do business.

Let us talk about the small business bail-out bond. We cannot call it a development bond any more; that is a misnomer. It does not develop a thing. There are companies in my constituency which took advantage of the Small Business Development Bond. They are very thankful that it was available. Industries have been created, some have expanded. The Small Business Development Bond was designed to help create and expand small businesses. It was, however, a watered down version from what the hon. member for St. John's West (Mr. Crosbie) introduced a couple of years ago, but it has played a very important part in small business. That has gone now.

Let me tell the House what that decision on November 12 did to another businessman in my riding. This businessman was in the midst of negotiations for a Small Business Development Bond when the edict came down from on high, from the Minister of Finance (Mr. MacEachen). This businessman went back to the bank the following week to tidy up the details on this bond, but the bank wanted more and more security. To my way of thinking, to his solicitor's way of thinking and to other people's way of thinking with whom I discussed the matter, the bank was asking for too much security. But what does the businessman do? If the businessman goes along with the bank, then he receives his bond under the old system. If, however, he goes to another bank which might accept the loan under a different security arrangement, what happens to him? He has to pay an extra 6 per cent interest. The businessman is caught between a rock and a hard place. The Minister of Finance did that to him.

The businessman does not thank the Minister of State for Small Businesses and Tourism and the Minister of Finance. The businessman looks to the minister of State for Small Businesses to plead on his behalf, but there is no response. I see the minister of state leaving the House. I hope he is going to plead on this man's behalf. The Small Business Development Bond is now gone. It is a sad state of affairs when we have to take a super development program like that and all of a sudden turn it into a welfare program. That is what it is now. If you are going bankrupt, then here we are. I notice some Liberal backbenchers nodding their heads and agreeing with me.

Let me talk now about taxing life insurance. A small businessman who wants some security for his wife and his family should anything happen to him will now have his life insurance policies taxed. What good does that do the small business person? The Minister of Finance says that if you already have life insurance policies you should not worry because they are not going to be taxed, but if you buy a policy from here on in it will be taxed. He talks about equity, but