

Small Businesses Loans Act

role in the development of new products and the improvement of old products. We have excelled in technological advances in the resource and farming sectors. We have gone through a major revolution in the agricultural sector. It takes a lot fewer people today to produce the same amount of food that was produced years ago. Adjustments have been made and agriculture is healthy and survives. We are very skilled in energy development and the forestry sector. However, we have a very serious challenge to cope with in the restructuring of the manufacturing sector, and I submit that small business can indeed play a leading role. But we must encourage the risk taker. We must ensure that the entrepreneur is rewarded for his risk, his hard work, initiative and creativity. If we do, we can unleash the entrepreneurial spirit in this country.

I think we must recognize that fundamental changes are occurring, Mr. Speaker. We must also recognize that it presents us with a golden opportunity, indeed a major challenge. We must accept these challenges and build for the future rather than dwell on the past. A vital component of that effort is a stable, sound and positive climate. Therefore the Government of Canada, complemented by the provincial Governments, can do a lot to ensure that a positive climate is not only brought about, but indeed sustained in order to support the vibrance, dynamism, and spirit which is out there ready to be tapped.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am pleased to rise this afternoon to speak to the Bill to extend the Small Businesses Loans Act. There is no question that this Bill has been put to good use over the years. It has indeed assisted many small businesses in their attempts to expand into new plants, new equipment and new ventures. On behalf of the New Democratic Party I say that we want to do everything possible to ensure swift passage of this Bill.

These days small-businessmen have very little to cheer about, considering the economic climate in Canada. The fact that the small business community lacks many of the safety nets available to the large corporate sector really puts them at a disadvantage in their efforts to acquire capital, market their products, and compete in the national and international markets. When you consider the struggle a small entrepreneur has today in competing against the large corporations and national chains, particularly in the retail sector, along with the multinationals operating in Canada, you realize that the small-businessman has a real difficult time. Nevertheless, Mr. Speaker, they are able to succeed in spite of the odds against them.

It is interesting to note that of the host of federal, provincial and local Government programs available to business, both large and small, 95 per cent of them cater to the large business operation and ignore the small entrepreneur. Again I think that demonstrates very clearly the reason why we in this House have to spend more time addressing the needs, concerns and challenges facing the small entrepreneur.

I listened with interest today as we were told that small business represents 645,000 enterprises in Canada. They account for 42 per cent of all business employment these days and 25 percent of Canada's Gross National Product. I want to

add a few things to that list. If one examines the record, one will find that almost all of the new jobs created in Canada in the last two years have been created by the small business sector. This was the growth sector in Canada. The introduction of new ventures and new techniques to the marketplace have come by and large from the small business sector. Most of the research and development that has taken place in Canada in the last few years has been initiated by the small business sector. That sector is virtually 100 per cent Canadian owned, which means that their first and last commitment is to Canada and their community. That is something we in this House have to address more boldly and more often. We know that so much of our economy has its future decided not in the towns and cities of Canada but in places such as London, New York, Tokyo and Bonn. Those people making decisions about the future of Canada's economy are not making them in the best interests of Canadian citizens and Canada. Their responsibility and priority is to the shareholders of their own corporations in foreign lands. It is the small business sector which is committed to Canada, to their Province, their region and their community. That is the kind of commitment we ought to be encouraging more boldly and more often.

I must say that one of the advantages of the small business sector in the recovery we all hope to witness in the months ahead is that this sector is the most flexible of our economy. The small-businessman is able to dodge, weave, twist and turn to take advantages of changes in the economy and economic technology. They can take advantage of new initiatives taken by the federal and provincial Governments. These are the people who are able to move quickly in this changing and dynamic economic world.

Again I would emphasize the need for the federal Government and its provincial colleagues to give more attention to encouraging the small business sector to get it out on the frontier, to be in the vanguard of this economic change. One could go on, Mr. Speaker, and list all the problems the Government has created for the small business sector, but I believe that would be fruitless because they are well known. I want to spend my time identifying what ought to be done to assist the small business sector which is difficult to overcome, and impossible for some. I would just read into the record a short paragraph from a letter I received from a constituent, a letter typical of what we receive these days. It says:

Dear Nelson:

We are all facing a very difficult economic environment, and survival, both personally and businesswise, is foremost in the minds of those involved in the private sector of our economy. Unfortunately, one of the main players involved in the private sector, and a supposed partner to many of us, has chosen to ensure protection of its own interest at the exclusion of the interest of small and medium sized business interests, and in the long term the interests of this country. This main player I mentioned is the Canadian banking establishment.

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If there is one element of society that causes problems for the small business sector, it is the chartered banks. When seven chartered banks in Canada represent at least 90 per cent of all banking, the result is a monopoly and an infamous double standard. They are not prepared to do the same for the