

The Address

business, sometimes fatal ones. We must ensure that government does not kill the goose that lays the golden egg.

An example of that is the recent hike in UI premiums. This is a tax on employment. It not only takes money away from small businesses but it penalizes them for expanding their staffs. Every cent taken away from small business hurts job creation.

As I mentioned earlier, job creation in the Okanagan—Similkameen—Merritt riding depends very much on the entrepreneur and the small business person. These are the ones who take the risks, make the commitments and put everything they own on the line to make this happen. These are the people who create jobs.

To be successful small businesses do not need grants, subsidies and handouts. Instead government must create and sustain a climate that encourages their development and growth. Let us remove the road blocks and get out of the way of these entrepreneurs. Let us free small businesses to create prosperity for the nation.

Government subsidies and grant programs do not help entrepreneurs who have sound business plans. They do not need them. These programs are a part of our deficit problem. They lead to high taxes that siphon off the investment dollars that could be going to the creation and expansion of successful and viable enterprises.

Propping up dying industries with subsidies and tax concessions can no longer be justified in today's climate of global trade. Our businesses must be able to compete. We should be looking to the future and the emerging new industries in the areas of high technology, information and knowledge services.

Okanagan—Similkameen—Merritt small businesses just want to get on with business. All they ask is that government not make their task any harder than necessary.

Tax burdens in this country are reaching unsustainable levels. Taxes have risen from 24 per cent of the gross domestic product in 1950 to almost 43 per cent in 1990. For the last 10 years we have been promised by our governments that they would get spending under control and that eventually taxes would be reduced. Instead the spending each year exceeds the previous and taxes rise again.

It is time for action. We must stop pointing the finger at previous governments and act on a plan to reduce spending.

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Our tax system has spawned a burgeoning underground economy and has made criminals out of ordinary people. The resulting loss in tax revenue transfers more burden onto the

shoulders of the remaining taxpayers, including small businesses.

Another concern of small business is overregulation, cost of compliance and the cost of dealing with the ever growing bureaucracies. In some cases the costly delays can jeopardize the viability of a business before it gets off the ground.

An example of this is an entrepreneur in my home town of Summerland who faced three years of bureaucratic delays in importing llamas and alpacas for which there was a demonstrated, ready market.

The government is to be commended for its intention to reduce the regulatory and paper burden on small businesses and to streamline the delivery of services. This is much needed. As well, it deserves to be commended for its progress in the matter of eliminating interprovincial trade barriers.

The major issue that businesses are concerned about is the deficit. The federal deficit is the biggest monkey on the back of all Canadians, not just small businesses.

Now the hon. members of this House have an opportunity to restore the faith of Canadians in our fiscal management. The defeat of our Reform Party's subamendment which proposed limiting spending to \$153 billion sends a confusing signal to the Canadian people, especially to small business people.

On the one hand the government has spoken, albeit somewhat vaguely, about controlling the deficit. On the other hand, it refuses to commit itself to a specific reduction target only 6 per cent below last year's runaway levels.

What are Canadians to think of that when it comes to doing their own household budgets? We must all address the issue of reducing the deficit and make it a high priority. We must unshackle small business so that it can get on with getting Canadians back to work and making our economy grow.

The people of Okanagan—Similkameen—Merritt and all the people of Canada are looking to this 35th Parliament to chart a new course for Canada. The future of the nation depends on the wisdom and fairness of these hon. members in deliberating the issues before us. Most important, it depends on the diligence with which we listen to and present the views and concerns of our constituents in this House.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs): Mr. Speaker, I listened to the hon. member's presentation with great interest and was very much in accord with some of the things he said.

I am very much aware as we are on this side of the House, particularly my friend who is the member for Broadview—Greenwood, of the difficulties that small businesses have en-