

Borrowing Authority Act

everyone alike, you favour the strong and maltreat the weak. That is what is now happening.

The Government has been saying that the Atlantic Enterprise Program is the new economic saviour for the Atlantic area. I would like to say a few things about that program. First, the level is set so high that it will be virtually impossible for most small businesses in Newfoundland to take advantage of it. Fishermen require loans of between \$10,000 and \$15,000 on an average. However, the lower limit on the Atlantic Enterprise Program is \$250,000. There will be very few small businesses in my constituency which will want to borrow that much. Even if they do, it is not clear how the Atlantic Enterprise Program will mesh with existing programs in DRIE and other economic departments of the Government. It is not clear what the meshing will be between that new program and the ones which already exist. In any case, business will still have to deal with the banks. We are talking about a loan program here. I do not know what the record of the chartered banks is like anywhere else in Canada, but in my riding there is clear evidence going back over the years that they are just not dealing with small business. Putting Atlantic small business in the hands of the chartered banks is an abrogation of responsibility. You are throwing them to the wolves because historically the banks have avoided or ignored small business. That will continue.

● (1530)

The Atlantic Enterprise Program deals only with capital expenditures. We know, coming out of the recession, that most businesses already have spare capacity. What they need most, in my experience, is not money for capital expenditures; it is start-up and working capital which is needed. If I have heard one request over the years from small business, it is that they need money to get started. They have to make a profit before they can pay taxes and qualify for tax breaks. So we need to have a program which deals with start-up and working capital. That is not what the Atlantic Enterprise Program does.

There were options open to the Government. It could have used programs which were working already. There are federal-provincial agreements already in place. The Department of Regional Industrial Expansion has been cut back, but it does have programs dealing with small business. Why not pick a program which is a winner and fund that? If you want to help small business, put money into programs which are already working. Do not start one which has very little chance of success. Really, what we are talking about here is shadows. The \$1 billion may not exist. In other words, when the banks decide to make a loan to a small business, only then will the Government be liable for a guarantee. So we may never see that \$1 billion in the Atlantic area. I doubt we will. It looks impressive but I do not think that money will flow.

The Government could have put money into improving the infrastructure in the Atlantic area. That is what we need. If businesses in Newfoundland and the rest of the Atlantic area are going to compete, they need improved infrastructure. However, that is what we are losing here. The Department of

Fisheries and Oceans lost some of its budget, and so we have the small craft harbours program, which is important to small fishermen, being eliminated altogether. Small business is where most of the jobs across this country are going to be. However, there are no initiatives which I can see that address the serious economic problems we have. The dependency so far has been on oil. The tendency has been to hang programs on that one nail. We see the price of oil dropping now which causes serious doubts and concerns about what is going to happen to projects such as Hibernia. If we put all our eggs in one basket we are really going to be in trouble economically in my province.

Unfortunately, I do not have the time to say all I wanted to say on this Budget today. In closing, I want to highlight again the serious effect this Budget has had on regional programs. In a communiqué, my colleague, the Hon. Member for Cape Breton-East Richmond (Mr. Dingwall), said that the treatment of the lesser-developed regions of Canada threatens to divide the citizens of this land permanently into the haves and have-nots. That says it as well as I could. We have seen a diminishing of regional development initiatives and Departments such as Agriculture, Communications, Energy, Mines and Resources, Fisheries and Oceans, and Transport. We have seen these department programs cut. Yet that is where the initiative has come from for regional development in this country. We are seeing the rich get richer and the poor get poorer and I cannot condone that or support it. I have some serious concerns that this Budget, tacked on to the last one, is going to further cut the Atlantic provinces adrift. They will drift farther out to sea on the tide of a free enterprise economy.

Mrs. Mailly: Mr. Speaker, I am sure that the Hon. Member who just spoke is an honourable Member. I must mention that he was present in the House when we came to the vote on the Budget. He is concerned about his riding. As a new Member of this House I do not have the experience of the Hon. Member. Nevertheless, I have been here 18 months and I have noted that the role of the Government is to make sure that legislation comes before this House and to a vote as quickly as possible, particularly that which will relieve certain difficult situations in society. The Hon. Member was present when the Budget came to a vote. He is concerned about his riding. Unfortunately, an NDP Member, the Hon. Member for Windsor-Walkerville (Mr. McCurdy), did not return to the House for the end of his speech and answer questions we could have asked him. We then found ourselves in a situation where we could have a vote on the Budget so that we could give relief to those families which have been giving 15 per cent of their child tax credit to discounters in order to get the money sooner. We could move forward on the sales tax rebate of \$50 for each adult and \$25 for each child. We could put forward the Bills which will help farmers who are in difficulty. I am sure the Hon. Member is sympathetic to the cause of the farmers in Atlantic Canada, indeed all over the country.

Therefore, I would just like to ask him this question. If the situation were reversed and he were a Minister in the Govern-