

● (1420)

FEDERAL BUSINESS DEVELOPMENT BANK

AVAILABILITY OF FUNDS FOR SMALL BUSINESSES

Hon. Sinclair Stevens (York-Peel): Would the Minister of Industry, Trade and Commerce inform the House whether he has taken up with the Minister of Finance on behalf of the Federal Business Development Bank, the question of seeing if some of this 9.7 per cent funding might be available through the FBDB to worthy small businesses in Canada which are being subjected to interest rates as high as 22 per cent by that Crown corporation?

Hon. Herb Gray (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, the financing that my hon. friend is talking about was offered in order to meet the competition from a French company. My hon. friend is talking as though he would prefer that the French got those jobs instead of Canadian workers.

Some hon. Members: Hear, hear!

Mr. Gray: The hon. member asks what I have to say on this subject. I want to say that today I announced the federal government is providing \$9.9 million—

Mr. Blenkarn: At what rate?

Mr. Gray:—to Mitel Corporation toward the development of a new digital PABX system which is expected to create close to \$1 billion in additional sales and 1,300 jobs over the next five years in both Ontario and Quebec. I presume my hon. friend is against that, too. Well, he ought to be ashamed of himself.

Some hon. Members: Hear, hear!

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AGRICULTURE

PROVISION OF FUNDS FOR FARMERS

Mr. Murray Cardiff (Huron-Bruce): Madam Speaker, while we are focusing on ways in which government contributes to the creation of jobs and national wealth through its fiscal powers, I want to put a question to the Minister of Agriculture. He is not here, and the buck always ends up with the Minister of Finance, so I will go to him.

The minister is aware that the \$5 million given to the Farm Credit Corporation early last winter helped only about 200 farmers, and many more are still hard pressed. The Minister of Finance can find \$1 billion at 9.7 per cent for projects outside Canada, but what is he doing to help agriculture? Can he find an equivalent amount immediately for our hard-pressed farmers?

Oral Questions

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think the hon. member has a legitimate point in asking what one can do to assist the hard-pressed farmers. But to suggest at the same time that there was something unworthy, improper or illegitimate about providing export assistance to Bombardier in order to sell 825 subway cars and provide 25,000 persons-years of employment in Canada, is quite another matter.

The hon. member has to understand that there was very strong competition from international suppliers, including those from France, and in order to meet that competition and get this order it was necessary for the Canadian government to provide this particular form of credit financing through the Export Development Corporation.

CANADIAN FEDERATION OF AGRICULTURE—REQUEST FOR ASSISTANCE FOR FARMERS

Mr. Murray Cardiff (Huron-Bruce): Madam Speaker, I am not criticizing the program the minister has just initiated to help Bombardier, not for a moment.

Some hon. Members: Hear, hear!

Mr. Cardiff: But today and tonight we have the Canadian Federation of Agriculture meeting with us and many of the hon. members opposite, and they are crying for help. We know there is money available; I have had approaches made where there would be offshore money made available to assist in the agricultural sector. You are telling us what you are doing for Bombardier; the bottom line is: what are you going to do for the farmers?

Some hon. Members: Hear, hear!

● (1425)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I thank the hon. member for his acknowledgement that there is no basis for criticism of the arrangement that has been made by the Export Development Corporation to support Bombardier. I thank him for that, and I think it is a much more enlightened attitude than the one taken by the hon. member for York-Peel.

Mr. Stevens: No difference at all. You have missed the point.

Mr. MacEachen: However, I would like to tell the hon. member that very shortly I will be meeting with representatives of the Canadian Federation of Agriculture. I intend to have a very deep discussion with them about their problems. And if, out of that discussion and later consideration it will be possible to do more than is presently being done, then I would be a very happy person to do it.