

*Oral Questions*

Would the minister agree that the auditor general's harsh assessment of federal manpower training programs is further evidence it is high time the federal government withdrew altogether from manpower training and left it up to the provinces?

[*English*]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, to set the record straight, I listen to CBC radio.

• (1445)

The auditor general said something we have been saying for the past two years: that we have to substantially revamp training programs to ensure that the private sector takes far more responsibility, invests far more of its dollars to help young people in particular get jobs, and that people in the existing workforce upgrade and get the kinds of skills required within the area.

Since 1993, as we have begun to make the changes the auditor general observed, we have been able to leverage over 77 million additional dollars from the private sector for training young people. It shows that while the auditor general was observing what should be done we were already doing it.

[*Translation*]

**Mrs. Francine Lalonde (Mercier, BQ):** Mr. Speaker, will the minister stop being so stubborn and acknowledge that, if manpower training programs are to reflect the requirements of the private sector in terms of training and jobs, the minister should respond to a consensus in Quebec among government, business, unions and interest groups, all of whom want to see responsibility for manpower training patriated to Quebec?

[*English*]

**Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.):** Mr. Speaker, it is unfortunate the hon. member did not do her homework before she asked the question. If she had, she would know that in July 1994 we signed an agreement with the province of Quebec, with the SQDM, in which we have a basic agreement and partnership on the supply of training. The SQDM advises on labour market demands, approves course selection, identifies qualified training institutions, determines course curriculum, confirms that training responds to skills. We are working in partnership with the SQDM to make sure we get full dollar.

I agree that we have to go beyond that. That is why in the reform we are developing we intend to give far more space to the provinces in the training area so they can make those choices

and at the same ensure that clients under the unemployment insurance program are properly and effectively served and getting back to work.

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**REGIONAL DEVELOPMENT**

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, five years ago the Treasury Board approved a policy to make all government contributions to businesses repayable. In the finance minister's 1995 budget speech he confirmed that policy. Yet at FEDNOR only 92 per cent, at ACOA 83 per cent, and in his own FORD-Q only 76 per cent of the loans are being made repayable.

Why is the finance minister not enforcing his own guidelines within cabinet?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, in all regional agencies a series of loans were outstanding that are in the process of running. The policy applied to new loans. There was to be a phase in process; one was not to impose this immediately so that business would be able to adjust.

When one looks at those loans within the regional agencies, it is the commercial loans that are repayable. As well, the regional agencies have activities in non profit making areas, structural areas that may well help the economy or a particular region. Those are not repayable.

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, despite the minister's fine words there is no real accounting in regional development. I point to his department. Over a quarter of the loans approved by his department did not even need government assistance in the first place, according to the auditor general's report. Those approvals amounted to \$65 million for FORD-Q.

Will the minister commit today to stop this hemorrhaging of Canadians' hard earned tax dollars? In other words will he do his job?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, the vast majority of the criticisms levelled by the auditor general as far as the regional agencies were concerned were levelled in terms of activities that took place prior to the election of the government.

A number of those criticisms were recognized by the individual ministers when they took office. It is as a result of the recognition of those criticisms that the fundamental changes in all the agencies have taken place, changes which have gone a long way to rectify the criticisms the member has just brought forward.