

*Adjournment Debate*

an answer to the question. With all due respect I am trying to determine whether or not this Liberal government can assess what is productive in regional development grants.

I want to read the question I raised: Does this minister know the difference between a grant and a loan that is not repaid at taxpayers' expense? The reason I asked this was that when the minister was in Atlantic Canada he suggested that ACOA was no longer going to give grants, it was going to be dealing in repayable loans.

In 1992-93 ACOA wrote off \$50 million in loans. I guess what this government has to understand is that a loan that is written off is no different from a grant because the individual is really not accountable for the loans.

If ACOA is now exclusively involved in the loan business, the question I posed to the minister was relevant to the FBDB which is actually the arm that provides venture capital to business on loans.

I would like to pose the question again in a simpler way. If the government is taking grants away from ACOA and ACOA is now one of the institutions responsible for venture capital or repayable loans, why not close down ACOA and let the FBDB take its place? That would save some money on the operations of ACOA and still would provide venture capital to Atlantic Canadians.

**The Acting Speaker (Mr. Kilger):** The hon. parliamentary secretary. I would also like to mention that she is the member for Halifax.

**Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, and I am a proud maritimer who did not go down the road.

It gives me great joy to respond to the hon. member for Fraser Valley West and to remind him that on December 7, 1994 the minister for ACOA delivered an address which charted a new course for regional development in Atlantic Canada. That was

the outlining of the Team Atlantic approach to private sector job creation and an end to grants to business.

He said that within a couple of months ACOA would be releasing the policy and hey, guess what? February 7, two months to the day later, ACOA released the new policy this afternoon to make direct assistance to business repayable. I do not know when members opposite will learn that when this minister says he is doing something he does it.

This new direction for ACOA will make 100 per cent of direct assistance to business under the action program fully repayable on a fixed timetable. This new policy was established in consultation with provincial governments and business which support complete repayability.

ACOA will continue to make unsecured risk capital available for small and medium sized enterprises, SMEs. We have heard the concerns of SMEs which stated that access to capital is the key to success. This patient capital allows business to become successful before repayment is required.

I was glad to hear that the leader of the Reform Party supports the government's direction in this matter as he stated on the CTV news in December 1994 that it was a step in the right direction. However, it is unfortunate that the member continues to spuriously attack the only agency of government devoted exclusively to the needs of Atlantic Canadian business. This must reflect some underlying attitude.

I say we should stand and congratulate the minister for the constructive solutions he is offering to the problems confronting the region. We know what the problems are. We know that ACOA, not FBDB, is the answer to those problems and we are going to get on with the job.

**The Acting Speaker (Mr. Kilger):** Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.54 p.m.)