

form a joint venture to develop a facility in the Third World. The IFC enabled this financing to take place.

● (1130)

In 1960 the International Development Association was established. Its primary purpose was to provide a soft loan window with the World Bank, particularly for those countries facing special problems with respect to the development of their economies and the necessary economic infrastructure. Loans with virtually no interest are provided to those countries along with very encouraging payback programs.

Bill C-30 does three things. First, it authorizes the participation of Canada in the IFC. We have not had the enabling legislation to participate until now and have only been contributing as a reflection of Canada's good will. This Bill will provide us with the legislative framework and authority to participate formally in the IFC.

Bill C-30 also consolidates all of the various authorities under this single Act. This is very important because it allows Parliament to discuss the whole matter of Canada's role in assisting other countries, particularly developing countries.

We are concerned that as a result of the legislation, the authorization for our contribution to organizations like the IMF will change, to simply be reflected in the estimates along with all other departmental estimates. Each year the estimates will reflect whether the Government either increases or decreases its contribution to these international agencies.

We in the NDP are not always impressed by the way Canada has participated in organizations like the IMF. In fact, we are not necessarily impressed by some of the actions taken by the IMF and other international institutions or agencies with respect to their treatment of the developing nations. Therefore, we are concerned that including this financial authorization as an extension of the estimates process will remove some of our opportunities to express our concern and hopefully assist the Government in implementing more progressive policies for organizations such as the World Bank and the IMF.

Bill C-30 is basically an administrative Bill. It is not particularly revolutionary in its objectives and does not particularly change the course that the Government has taken in the past. However, we have some reservations about the Bill and that is why we are anxious to finish second reading now in order to send it to committee where we will have an opportunity to raise these concerns in more detail.

Some of my colleagues who have spoken before me have flagged a number of the concerns regarding the role that Canada plays in organizations such as the IMF. We are concerned about the behaviour of some of these organizations. For example, let us examine how the IMF has treated different countries. Chile and South Africa are countries that have human rights policies that we abhor and that no progressive country can accept. When the IMF makes a multimillion dollar loan, or loans in some cases amounting to hundreds of millions of dollars, to certain countries that maintain an oppressive human rights atmosphere, we must recognize that

Bretton Woods Agreements Act

as a result of our financial contribution to the IMF we are participating in that oppressive atmosphere. When the IMF assists these countries or when other organizations assist the private sector in those countries, Canadians through their Government's involvement are participating in these acts. Canadians should be reminded of that fact.

For every dollar that is lent to countries like South Africa, Canadians will pay three cents, or 3 per cent of that particular loan. In many ways we are perpetuating the oppressive regimes and human rights policies in those countries by maintaining the status quo or ensuring that those who have created these policies remain in power and in positions of influence. I think it is important that we recognize that we are in fact a part of the *apartheid* process by contributing to its continuation.

The IMF has special drawing rights, known as SDRs. Those who make the major contribution to the IMF obviously have the most power. In other words, those who pay the piper call the tune. In this case, the United States is overwhelmingly the major contributor to the IMF. We have seen the United States, with some of its First World allies, put pressure on the IMF to ensure that certain countries are supported while others are not.

We need only go as far as Central America, a troubled part of the world, to see an example of how the IMF has treated the regimes in El Salvador and Nicaragua. The IMF has been very supportive of the regime in El Salvador and has given hundreds of millions of dollars in support of that country's efforts at economic development. While we could debate at length the value of some of that economic development in El Salvador, the point is that the IMF has been a major supporter of that country, which I suggest causes great concern when it comes to its human rights, free elections and so on.

Nicaragua is virtually next door to El Salvador. The IMF has said that that country does not need assistance in developing its education or its rural roads, its water supplies or its sanitation systems. This is a country that needs help in all of these areas. It is a country in which a Government has been duly elected by its people and is doing whatever it can to assist the development of its economic infrastructure. It is attempting to educate its people. The IMF is saying that it will cut off aid.

The World Bank has circulated an internal report in which it decided that three of its six sections in lending to Nicaragua will be cut off. One of those is the very important sector of education. All Members are aware that without education in the developing countries it is impossible to have real economic development. Much of the economic development is simply a transfer of First World development to the Third World. We anticipate that the Third World will then be able to develop and thrive on its own. However, that is not the case. They cannot develop without the education and training that goes hand in hand with economic development.

The IMF has told Nicaragua that it does not need assistance for developing its education, its roads or a transportation infrastructure in its country. It has said that Nicaragua does not need assistance in developing a better water supply. Most