

Inquiries of the Ministry

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): I will take that question as notice, Mr. Speaker, but I would make the observation that it would seem to me that the decision in terms of what might be done will involve the CRTC.

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EXTERNAL AFFAIRS**ARGENTINA—TERMS OF JOINT CANADA-UNITED STATES FOREIGN AID SCHEME**

Mr. W. B. Nesbitt (Oxford): I wish to direct a question to the Secretary of State for External Affairs. It relates to a question I directed to the President of the Treasury Board in the absence of the minister on March 19. Is Canada acting in concert with the United States to establish a large engineering project in Argentina of which Canada will pay 10 per cent or 15 per cent of the cost, and is one of the terms of that contract that all the machinery and equipment for this large project will be purchased in the United States and none in Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, Canada is not involved with the United States in an aid scheme in Argentina. However, through the good offices of the Inter-American Development Bank we have extended a \$756,000 loan to Argentina. This is being used to retain a Canadian firm which is updating and expanding an engineering and economic feasibility study of the Salto Grande hydroelectric power project in Argentina. I can assure the hon. member that this Canadian loan is not being used to purchase equipment and machinery in the United States.

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REGIONAL ECONOMIC EXPANSION**NORTHERN SASKATCHEWAN—APPLICATION FOR GRANT TO CONSTRUCT PULP MILL**

Right Hon. J. G. Diefenbaker (Prince Albert): I wish to ask the Minister of Regional Economic Expansion whether he is now in a position to give an answer to the question I asked the other day as to what decision has been made in connection with the application by the government of Saskatchewan for \$12 million in relation to the proposed establishment of a pulp mill at Dore Lake?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I think the application is from the company, not the government.

Mr. Diefenbaker: Yes, that is right.

Mr. Marchand (Langelier): A huge amount is being requested and the application is still being processed by the department. The department is requesting information from the company. I do not think there has been any unjustified delay up to this time, and as soon as we can make a decision we will do so.

[Mr. MacGuigan.]

Mr. Diefenbaker: Mr. Speaker, I am not suggesting that the genial minister ever delays. I wish to ask him whether objections to this grant have been received from NDP members in the province of Saskatchewan and also from Mr. Wilfrid Gardiner, a former member of the cabinet of Mr. Thatcher who has recently become a self-appointed authority on these questions?

Mr. Marchand (Langelier): I am not aware of those objections, Mr. Speaker. I will inquire and report to the House.

Mr. Les Benjamin (Regina-Lake Centre): A supplementary question. Has the Minister of Regional Economic Expansion received any representations from the Pulp and Paper Association of Canada opposing such a grant?

Mr. Marchand (Langelier): Mr. Speaker, there is a problem with the whole industry. There is no doubt about that. We received representations, not specifically in connection with this mill but in connection with all new mills that are going to be established in Canada. There is a problem in the pulp and paper industry because of the rate of exchange.

Mr. Speaker: Order, please. There are only three or four minutes left in the question period. I suggest that we go on to another subject.

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[Translation]

EXTERNAL AFFAIRS**AID TO UNDERDEVELOPED COUNTRIES—SUGGESTED INTEREST-FREE LOANS TO CANADIAN MUNICIPALITIES**

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

In view of the fact that the Canadian government, through the Canadian International Development Agency, has granted several interest-free loans for periods of between 50 and 60 years to certain developing countries, can the minister tell the House whether he will suggest changing that agency's name by substituting the word "national" to "international" in order that it may be authorized to grant interest-free loans to Canadian developing municipalities?

[English]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the hon. member is quite right in saying that the Canadian government does grant loans free of interest to some underdeveloped countries. I point out to the hon. member we also make grants that are not repayable. We intend to continue this policy as a means of helping in the development of the underdeveloped countries of the world, a policy which has very strong support in Canada and which is strongly supported by this government. Our help to universities and in overcoming poverty in this country takes many times as much money as the assistance we provide to the underdeveloped countries of the world.