

Adjournment Debate

Will you make public any evaluations of the viability of this investment which were made prior to funds having been provided?

What, if any, communication occurred between the Federal Business Development Bank and the Department of Employment and Immigration with respect to the closing of TIEM?

Will you make public the performance evaluation which your department produced before cancelling its contracts with TIEM?

I did receive a reply from the Minister of Employment and Immigration on February 6, promising a lengthier response. It was really a letter of acknowledgement. I did receive a letter of reply from the minister responsible for the Federal Business Development Bank on January 19, 1990, which redirected my correspondence to the Minister of State for Small Businesses and Tourism.

I point this out because I was surprised that the minister would retain the question in the House of Commons, yet receive my letter and then redirect it.

I received a reply from the Minister of State for Small Businesses and Tourism on January 24. Basically it describes what the operation is; something that I knew. It indicates that this had been attempted in a number of other countries, for example the U.S. and the U.K., and people wanted to know whether or not it would be useful here.

• (1910)

These were not responses to my question. Again, I wanted to know what public funds were in fact used to support this operation and whether they were in fact recouped. I have identified three possible departments involved.

To be more specific, here are the questions of greatest interest that now fall out of all of this: What evaluations were done of TIEM's business plan before providing DRIE funding? Will these evaluations be made public? Was any of the \$11.8 million invested by DRIE repaid? What accountability was attached to the funds? Was there any monitoring or site inspection? What criteria were applied to select this company, TIEM, for funding?

How could one company in its development stages be able to get funding from two separate government departments plus, from what I can gather, the Federal Business Development Bank? Was bank financing not available or was it refused? Has there been any action taken against the principals of TIEM Canada to recover

the \$11.8 billion start-up loan. Has any minister followed up whether or not CEIC agreements with TIEM required the company to return paid job credit amounts for jobs created if these jobs did not continue after two years take place?

Will the minister confirm that as reported to us the job credit amount was approximately \$14,000 per job created? What is the status of the Vancouver based business development group? I am told it was owned by TIEM that had secured original ownership through government financial assistance as part of the over-all financial package.

There was, I believe, \$2.7 million allocated by TIEM to the Manitoba small business growth fund. What happened to this money? Was any TIEM money applied to Capidem, a \$10 million venture capital fund in Quebec? What is the status of the approximately \$1 million in investments made by TIEM in various entrepreneurial activities throughout the country?

I terminate by saying that a number of questionable operations were occurring. I can detail those if it is of use to the government. Was the government aware that it was funding in fact an operation that did not have a business plan or was not meeting its own criteria or reaching its job targets?

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the member has obviously raised many more new questions than I could possibly answer in three minutes. I would like to say on behalf of the Minister of Employment and Immigration that I am pleased to be able to discuss the renewal of the TIEM Canada contracts.

Employment and Immigration Canada's funding of TIEM Canada was provided through the innovations program. The objective of the program was to support pilot projects which test new initiatives and approaches to labour market problems before applying such approaches on a larger scale.

In any experimental initiative the risk of failure is present and many trials will have negative results. When Employment and Immigration Canada entered into a contract with TIEM Canada, one of the purposes was to test the effectiveness of a six-part approach to the