Why is the minister turning his back on this important project? Why has he abandoned his mandate for industrial development in Atlantic Canada?

Some hon. members: Hear, hear.

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I would like to say, first, that we have just announced within the tax credit two projects for Cape Breton for $24.5 million which means that we are not overlooking the economy of Nova Scotia.

Because it is in my hon. friend's riding, he knows very well that the Synfuels project has been running for 10 years now. What was requested by the promoters of the project was, first, that they wanted to have a $200 million Cape Breton tax credit. They wanted to have more. They also wanted to have a loan guarantee and an interest buy-down. That was not possible because of the fact that there was no private sector money guaranteed. Mr. Gillespie himself said that in *The Globe and Mail* yesterday.

The technology was good. We agree with that, but there was no money. It would be a very high cost for the Government of Canada and this point in time. This is the reason why we decided not to accept the deal.

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is directed to the same minister. The minister will know that the premier of the Province of Nova Scotia, the entire provincial assembly in that province, labour unions, as well as all of the municipal representatives in Cape Breton Island, are supportive of this particular project.

Some hon. members: Oh, oh.

Mr. Dingwall: In the name of fairness and human decency, would the minister not agree to meet with the principals of this particular project and to sit down to work out a plan which is suitable to the Government of Canada, as well as the principals, in order to see that this project is realized for Canadians who live in that particular region of the country?

Some hon. members: Hear, hear.

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, the member knows very well that in any part of the country we need money to make a deal. We can have the support of all the provinces if you want, but you could not have the $500 million from the private sector to guarantee your project. You ask for a $200 million tax credit at the same time that you ask for a loan guarantee and the interest buy-down. It could not be a good deal. At the moment, you are not able to put even $1 and you want us to give a credit.

There is no way that we will support any project where the money which has to come from the private sector will not come. That is as simple as it is.

Some hon. members: Hear, hear.

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TRADE

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, my question is to the Minister of National Revenue. I do not see him in his seat, so perhaps his parliamentary secretary would answer.

Cross-border shopping in the United States continues to have devastating effects on retailers in Canada's border towns, including a serious loss of jobs in the retail industry.

Has the government any plans to at least acknowledge the mounting problems its economic policies are causing and offer some relief for Canadian retailers who are facing very bleak pre-Christmas sales in the border towns?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I think the problem raised by my friend—not from London, unfortunately, but my other friend—has been the subject of discussion for the last two weeks with the municipalities along the border with the Canadian Retail Association.

We believe that we can find an answer, but I understand for those retailers at the border it is not easy. However, it has been a fact of life for those retailers for a long time, dealing with the United States and Canada.

Once again, the officers of my department are working with those people, and we believe we can find an answer in a little while.

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, to the same minister. Is the federal government familiar with the plan announced recently by the Ontario government which would make funds available to retailers in specified border towns in Ontario, designed to help them