

### Adjournment Debate

Local Employment Assistance Program—was ready to be announced. As leaked to the press, this program is designed to offer funding of projects to disadvantaged Canadians and unemployables. The minister indicated that he would be making an announcement on this shortly and I hope that he will. I hope it will afford the opportunity for those organizations that had their projects turned down to resubmit them for consideration under this new program.

I agree with the concept of the Local Initiatives Program. My only objection is the lack of projected planning, the lack of co-ordinated effort to look at all aspects of its objectives and come up with a meaningful program to fit the needs of those to whom it is directed. I look to the minister to give me the answers I am seeking in a spirit of co-operation.

**Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration):** Mr. Speaker, approvals of LIP applications have been made as quickly as possible this year. Due to the large number of excellent applications received, the task of selecting the best projects has been a very difficult one indeed.

Perhaps a comparison with the program up to this date last year will be helpful. At this time last year some 2,045 projects, valued at \$58 million, had been approved. This year, as of today we have approved about 5,000 projects for a total of \$148 million. In fact, as the minister promised, applications for the bulk of LIP funds have been processed by today. Just to review the figures, the number of applications received this year amounts to 15,053 and the dollar value of those submissions is \$480,500,000. The number of applications approved was 5,000, with a dollar value of \$148 million, and the man-months of employment created were 304,000. As for training on the job, the figures as of January 18 are: applications received, 10,575; dollar value, \$57,951,584; applications approved 5,001; dollar value, \$50,270,257; and man-months of employment created, 58,925.

Perhaps part of the problem to which the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) referred is due to the fact that in the case of many applications no decision has yet been made. I am sure that hon. members will appreciate that the minister does not wish to turn down applications when subsequently it may be possible to approve them. It is necessary to consider all the applications made, and some are made earlier than others. There is a desire to cast the net as widely as possible and this has led to delay in the making of some decisions.

In respect of the continuation of the program, of course those who received assistance from this program in the past and again this year are normally expected to complete their programs within a certain period. This is usually one of the terms. I will certainly take the suggestion of the hon. member to the minister and the department. A continuing program might indeed be something which we will have to look into in the future.

The LEAP is primarily for hardcore unemployed. It may apply to some of the cases my hon. friend has cited. If he wishes to have any of the applications in his area

[Mr. Marshall.]

transferred to that program, I am sure this would be sympathetically considered by the department.

### CANADIAN NATIONAL RAILWAYS—TERMS OF LOAN FROM PENSION FUND TO FIDINAM (ONTARIO) LIMITED—INQUIRY AS TO LEASING BY RAILWAY OF PART OF UPPER CANADA PLACE

**Mr. John Harney (Scarborough West):** Mr. Speaker, on January 10 I asked a question of the Minister of Transport (Mr. Marchand) in respect of the loan made by the CNR pension fund to Fidinam (Ontario) Limited, allegedly amounting to some \$33 million. My question had to do with the terms under which this loan was made. The minister at that time informed the House that he would take the question under notice and look into it.

Since then, with my meagre resource for research I have been able to dig up this information. Negotiations between Fidinam (Ontario) Limited and the CNR pension fund began in February, 1970. Then a letter of intent was signed between Fidinam and the Canadian National investment division on January 24, 1971, which provided for a first mortgage loan of \$25 million and a second mortgage loan of \$6 million, for a total of \$31 million. This sum was raised subsequently to a total of \$33 million.

Under the total agreement to build Upper Canada Place, a project in which Fidinam was involved, there was another \$15 million to be loaned by the Workmen's Compensation Board of Ontario and Fidinam Corporation, which is the parent corporation, was to put up a total of \$7 million of which \$5.1 million was to be raised at the time of the commencement of the project.

My question at that time was simply, under what terms was this loan made? There are more questions raised under this same rubric. First of all there is the question of policy, or lack thereof, in respect of Canadian control, as to whether direct loans of debt capital can be made in this country. That is to say, to what kind of corporations can they be made, and whether they are Canadian or foreign-owned.

• (2210)

I raise the question because in this particular case we were not only dealing with trustee money held by a Canadian investment group, in this case the Canadian National investment division, but money which is held by it in trust which belongs to its workers, in this case Canadian workers in the parapublic service. It is rather strange that the savings of our workers in this country are being put to the service of foreign corporations in Canada, especially a foreign corporation such as Fidinam which has brought in very little capital from the outside and uses its leverage to borrow \$48 million to build a building which is rents back in large part to public institutions in this country at a time when there is an enormous need for what could be called socially useful projects. A point was made, in an article today which appeared in the *Toronto Star*, by Ed Finn regarding the CNR pension fund. The article reads:

Almost one-third of the fund is now invested in mortgages, mostly for office buildings, hotels and luxury apartments. Ironically, many thousands of the CN employees whose money is being