

*Supply*

**Mr. McDermid:** I am sorry, but it is happening. It may not be in all banks but in two banks that I know of it is happening.

**Mr. Mills:** What are the two banks where this is happening?

**Mr. McDermid:** The Bank of Nova Scotia and the Canadian Imperial Bank of Commerce both have small business programs. I can tell my hon. friend that in the competitiveness of the financial world I would imagine that the other banks will not be too far behind. That is what this is all about. That is why these amendments were brought in. I share the concern.

My hon. friend sits there and yaps away at me when I am on my feet. I am telling him right now that I have the same concerns that he does and we are working on it.

**An hon. member:** Work harder.

**Mr. McDermid:** I believe that the banks are coming around on it as well.

The other thing that this government has done in changing the Financial Institutions Act is to permit trust companies to do commercial loaning as well. I think that is going to provide more competition as they set up their commercial lending activities which they now are permitted to do.

**Ms. Lynn Hunter (Saanich—Gulf Islands):** Mr. Speaker, I would like to change the focus of concern over this government's budget.

There seems to be a fixation in the country with deficit reduction. I say a fixation because I think it is once again the error of linear thinking. I would like to ask the member opposite a question. What demonstrated support is this government showing for the environmental deficit that this country is suffering?

**Mr. McDermid:** This government brought in one of the most comprehensive environmental programs which was universally praised by environmentalists. This program is being put in place.

**An hon. member:** What have you been doing?

**Mr. McDermid:** What have we been doing? I can tell the hon. member that as a young person I spent a lot of time on our Great Lakes. I spent a lot of time for example at Lake Erie. The difference in Lake Erie today and what it was when I was kid is phenomenal. I can see

bottom again in areas where before I never could. The environment and the work that is being done by provincial and federal governments and municipalities is working.

My hon. friend talks about this fixation with deficit reduction. I am not sure whose side she is on. I am not sure if she is on her leader's side or Bob Rae's side or Steve Langdon's side or Roy Romanow's side or whose side. But the provincial governments also understand that deficit reduction is a priority, including the two NDP governments I mentioned, Saskatchewan and Ontario.

• (1115)

The Department of the Environment is paying its share by cutting back operational budgets. There is no question about it. Its funding has been cut back but the green plan funding is still very substantial and it is doing an excellent job. The secret of environmental spending by the federal government is to make sure it is multiplied many-fold by the private sector and that is exactly what is happening. For a few dollars spent by the federal government, the private sector is spending more and more. We are seeing our industries clean up.

The city of Sudbury, for example, is no longer the butt of jokes. It is a beautiful city. It has cleaned up its act tremendously and has done a marvellous job. We are seeing that everywhere in Canada. I am the first to admit we still have a long way to go but we will get there.

The Department of the Environment along with other departments has had to pay its share in keeping costs under control which the public has demanded. The Minister of Finance, the President of the Treasury Board and I did pre-budget consultations and that was the constant message from people of all walks of life. Whether it was handicapped associations, business organizations or social organizations they all understood that if we did not get deficits under control these programs they now enjoy, although being cut, might disappear entirely. They understand that and are supporting the deficit reduction of the federal government and I am sure they will be supporting the provincial governments as well.

**Mr. Peter Milliken (Kingston and the Islands):** Mr. Speaker, in his speech the member did not talk much about the motion. I can understand why he did not want