

Oral Questions

deeply enough in the federal administration, and did not review its fiscal policy in spite of the terrible state of public finances, preferring instead to transfer its deficit to the provinces?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Moody's announcement was met with skepticism since the very next day the value of the dollar increased on international markets, while interest rates decreased.

• (1435)

All the other observers greeted the budget with enthusiasm when it was tabled, back in February. Moody's was not in a good mood on that day. These things happen. While the mood changed for that agency, it remained the same for the rest of the world.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the Prime Minister is joking about the serious and even catastrophic situation of Canada's public finances.

Mr. Bouchard: Absolutely.

Some hon. members: Hear, hear.

Mr. Loubier: Does the Prime Minister realize that if the government's credit rating is cut in spite of the sustained economic recovery, it is because Moody's was not fooled by the wait-and-see policy of its government, which is content to rely on short-term economic recovery, which passes its deficit on to the provinces, and which lets the \$550 billion debt grow by the minute, instead of tackling the real problems? This is the real situation.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, just today, the International Monetary Fund released a report indicating that Canada's economic performance is one of the best in the world. Three weeks ago, when I was in Washington, I had the opportunity to meet the director general of the IMF who congratulated me on the Minister of Finance's budget.

One agency did make a negative assessment, but the vast majority of credit rating agencies and observers, and particularly the markets, gave good marks to the Canadian government, following the budget tabled at the end of February.

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[English]

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, in the last budget the immigration minister decided to levy a new \$975 tax on refugees and immigrants to pay for settlement services. He said that those who could not afford this tax would be loaned the money to cover the costs.

How does the immigration minister intend to pay for the massive bureaucracy which will be necessary to administer the loans that pay for the tax? It is a tax because it is going into general revenue.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the \$975 that was announced by the Minister of Finance on budget night is a landing fee and a recovery of program costs. The member should know that all cost recovery fees of the entire federal government go into general revenue.

The member seems to be arguing. When it came out he and his party were in favour. Then at committee they said they were opposed if it went into general revenues and not into the department, which really does not impact the bottom line.

The fact is that the landing fee is the best way of ensuring that settlement for immigrants and refugees continues. It is the best option of a series of alternatives that were certainly not as progressive.

I would like to know on any given day where the Reform Party stands on this issue.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, if the truth be known, the collection services of this government are disastrous. It cannot even look after the sponsorship agreements.

Only this minister could see the logic in expanding a bureaucracy to administer loans to finance a tax to offset runaway immigration costs when the money does not go into the immigration department at all.

Why did this minister choose to expand the size and cost of his immigration empire and impose a new tax when he could have easily cut the number of immigrants who require settlement services and make those who need them pay their own way like other countries do?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, now we get to the true Reform agenda, hiding behind some fictitious tax.

It is not going to increase the so-called empire. If the member does his parliamentary homework, he will note that in the estimates there are no such increases that the member speaks of. We already collect a transportation loan from refugees.

He talks about payback. Let me tell the hon. member that since 1951 refugees have paid back the transportation loans of \$3,000, \$4,000, \$5,000 to the tune of 97 per cent. There is no increase in the bureaucracy.

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[Translation]

TELECOMMUNICATIONS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the heritage minister. Recently,