

Government Orders

[Translation]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, the Minister of Public Works said that using \$2 coins would result in savings of some \$225,000. I wonder how much it will cost to repair our pockets though, because it is going to be a heavy load to carry. My comment is somewhat in line with the sense of humour displayed by the minister when he alluded to the possibility of having his face appear on the new \$2 coin.

The closing of some CMHC offices is a more serious issue. I agree that the government must reduce spending. However, I find it hard to understand why the minister decided to close the CMHC office in my riding of Longueuil, since some 1.2 million people live in the Montérégie. I think it would have been justified to keep an office to manage CMHC affairs in that region. That region has a larger population than the province of Nova Scotia where, I imagine, there must be at least one CMHC office. So, I ask the minister: Why he is taking that step and, second, from where will he manage all the properties in the Montérégie?

[English]

Mr. Dingwall: Mr. Speaker, I thank the hon. member for the question. It is a very legitimate and important question that one would ask of a minister.

My colleague is quite right in making representations to me on the issue. However, I say to him as I say to all members, difficult decisions had to be made by the government relating to the reduction of expenditures.

In the riding adjacent to mine that members refer to quite often as being my district but really is not, we closed the office as well. I do not take any joy as the minister responsible for Canada Mortgage and Housing for having to shut down offices.

Administratively it is important that Canada Mortgage and Housing make those kinds of decisions in order that we can contribute to bringing down the deficit of the Government of Canada. I have had numerous meetings with my colleague the Minister of Finance who did not cherish the fact that we had to reduce those offices.

I want to tell my colleague opposite that his constituents, which he ably represents, will still have the services of representatives from Canada Mortgage and Housing from neighbouring communities.

Notwithstanding reductions at Canada Mortgage and Housing, I received no less than seven or eight interventions from his party. I thought he was to congratulate me on the rent geared to income which was rumoured to go from 25 per cent to 30 per cent. The Minister of Finance and the cabinet have maintained it at 25 per cent.

On the one hand it was difficult to close the office in his constituency. He will still receive quality service from neighbouring communities. On the other hand we have been fair. We have not increased the rent geared to income for those citizens who are occupying our social housing units across the country.

• (1525)

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I was hoping the minister would put to rest the terrible rumour I heard that the figure on the new proposed \$2 coin might be a soft walled, shiny topped dingy. That did not happen and it is unfortunate.

I want to get down to the matter of his responsibility with regard to ACOA. We know there are several regional development agencies flowing from the federal government: ACOA, western economic diversification, FORD-Q and other northern development agencies.

If someone with a grade five education sat down and thought about it, he or she would realize this whole concept is wrong. First, history tells us it is wrong. It has not worked in his region of Atlantic Canada. We have seen DREE grants, ACOA grants and loan programs for not years but decades and they have not worked. They have been part of a continuation of a depressed economy. In some of these regions they have not solved the problem.

If we think about it, the reasons are obvious. First, the paycheck of taxpayers' dollars going through the administration here in Ottawa and then back out to the regions is very costly. They are very expensive departments with gold windows that have to be replaced and huge staffs. It is also an opportunity for ministers to have undue influence in the tendering process. It tends to have people come to ministers hat in hand, asking for a grant or a loan.

I know that recently the minister responsible for ACOA has removed the granting program. I believe that is due in large measure to criticism from the Reform caucus that pointed out the blatant pork barrelling and the problems with the whole program of grants.

Now ACOA is restricted to lending funds to business. In fact, they have reduced the lending. However, businesses can get loans from other institutions such as banks and credit unions. Why would we need ACOA to grant loans? It is a very costly way for the taxpayers to help businesses. Also the amount lent out is reduced. Yet we still have the department and the minister responsible as well as his staff. There are not the cuts at the top we need because we are doing less with more.

How can the minister stand in the House and justify ACOA, western economic diversification and other regional development agencies that have failed miserably. They have added poverty to Canada and have been an opportunity for pork barrelling and misuse of federal funds.