

Central America, and the recent loans to El Salvador, to which we have contributed, give ample evidence of this.

I am sure some Hon. Members will have already read the report, which was mentioned by *The Globe and Mail* on March 24, 1983, of James Morrell of the Center for International Policy in Washington, a centre which monitors U.S. policy in the Third World. It is quite clear from his report that indeed political considerations are becoming even more critical in the final decision on who gets what loans from the Inter-American Development Bank. The political considerations, I am sorry to say, seem to have nothing to do with human rights violations; they have nothing to do with redistribution of income and they have nothing to do with whether or not the money is being spent on arms. All they have to do with, it seems, is whether or not the recipient country is one that is favoured by the U.S. State Department in its, to put it mildly, reactionary policies vis-à-vis Central America.

We must look more seriously than we have done at the Canadian contribution to loans being given to various countries by such an international financial institution as the Inter-American Development Bank, and ask some very serious questions. It is not good enough for the Minister to say, as he did to me, that they do not consider political considerations in the granting of loans, when it has become very clear that when the Americans say no to Inter-American Development Bank loans to Nicaragua but yes to loans to El Salvador, a political consideration is in fact being made.

I think that the amendment which the Hon. Member introduced, and which we support, that the Government cannot add to or subtract from the list or the schedule, is a useful amendment and will, if 30 Members so request, give us an opportunity for debate. However, I now feel that since there was such an inadequate response to my concerns and to the concerns of other Members on the criteria used in the giving of loans, we have to find some other method, before we are next asked for a Canadian replenishment, of ensuring that we get complete reports on the activities of every agency, and that we follow them with a careful and thorough examination and discussion of the criteria that are used in the granting of loans and, finally, that we ascertain that in fact political considerations do not enter into what are supposed to be neutral decisions.

We have agreed on one speaker, so I guess I will not get my answer now, but I would hope that the Government will take my suggestions very seriously into consideration.

The Acting Speaker (Mr. Reid (Kenora-Rainy River)): Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Motion agreed to.

Mr. Pepin (for Mr. MacEachen) moved that the Bill be concurred in.

Motion agreed to.

Small Businesses Loans Act

Mr. Pepin (for Mr. MacEachen) moved that the Bill be read the third time and do pass.

Motion agreed to, and Bill read the third time and passed.

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SMALL BUSINESSES LOANS ACT (NO. 4)

AMENDMENT TO EXTEND TERMINATION DATE FOR LOANS

The House resumed, from Friday, March 18, consideration of the motion of Mr. Rompkey that Bill C-144, to amend the Small Businesses Loans Act (No. 4), be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I assumed that one of the hon. gentlemen opposite might want to lead off the debate on Bill C-144. It is a subject in which we on this side are very interested, the matter of small business and finance for small business, and we assumed that they might be equally interested, but apparently that is not the case.

Mr. Smith: No, we are.

Mr. Nickerson: The objective of the Bill before us, which it is our intention on this side to support and deal with expeditiously so that it can be dealt with in the appropriate Committee, is to extend the provision of the Small Businesses Loans Act for an additional period of two years. The provisions of the Act were to have expired on March 31, 1983 and the intention of this Bill is to extend that period of time to March 31, 1985 and to allow the volume of loans to be guaranteed within that period to be made up to a maximum of \$1.5 billion.

• (1240)

What I just said should have been said by the Minister of State for Small Businesses and Tourism (Mr. Rompkey), whom I see in his seat, in order to show the real intention of the Bill. I want to address one point fairly briefly, that is, the difference in philosophy on this side of the Chamber and the other side as to how we might have handled things differently. On the specifics, other Members on this side will go into the details.

The Minister of State responsible for Small Businesses knows what is happening. He was formerly the Minister of National Revenue. His revenue procedures worsened the plight of small businesses, and today he is trying to put that right. Today he is paying his penance, so to speak. The idea of the Government, in its grab for more and more revenue, is to hit hard the business sector of Canada. It is supported in this by our friends to the extreme left, only one of whom is here today because they do not like the idea of business making profits.

We saw this in Bill C-139 which was enforced by closure yesterday. This will hurt small business. We see the 12.5 per cent small business dividend distribution tax and the way that will affect small-businessmen. The provisions of Bill C-139 and