

*Lotteries*

**Mr. Ernie Epp (Thunder Bay-Nipigon):** Mr. Speaker, I am pleased to rise to respond to the statement of the Minister of State for Fitness and Amateur Sport (Mr. Jelinek). I am sure he was very pleased to make the announcement that a part of the federal contribution from non-tax dollars has been nailed down. At the same time, recognizing the source of those funds, I am a shade ambivalent about the agreement. I should like to comment on the basic nature of it and raise some questions, which I hope the Minister will be able to answer this afternoon.

The fact that half the federal contribution of \$200 million is drawn from gambling revenues, albeit gambling in the hands of provincial Governments, leaves my caucus colleagues and me unhappy. We think that sporting activities should not be involved in this form of misery tax which gambling so often becomes for people. We would sooner see a genuinely progressive tax as the basis for supporting amateur sport.

It is hardly surprising that the Minister was able to arrive at this agreement, given that he decided to follow along the same lines as the Government in 1979 of giving the entire responsibility for gambling to the provinces. If you are giving away the store, it should be possible to receive something in return. Considering an amount of \$100 million over three years, it is not very surprising, although it is curious, that it has taken this long, for an agreement to be reached with the provinces.

● (1520)

The fact that we are going to have an amendment to the Criminal Code which will seek to establish once and for all the provincial responsibility in these areas leaves me uneasy because gambling certainly requires supervision by the federal Government. I hope that the Criminal Code amendment will be drawn up with some care so as to ensure that the conceivable entry of criminal elements into this area will not happen without the attention of the federal Government to the matter. It could in any case be done by delegation rather than by way of this proposal to do something to the legislation once and for all.

To come more particularly to the situation that the federal Government faces in making its contribution, I note that the Minister envisions a tremendous economic impact of the games on all regions of Canada. The situation of the Maritime provinces has been in the public eye for the last day or two and it seems to me doubtful that the Atlantic provinces will share very much in the gain from the Olympic Games. I do not doubt that the Province of Alberta and other parts of the Prairies will share in it fully. I hope that the provincial contribution towards this \$100 million is largely drawn from persons in the western provinces, given the fact that it is going to be based on gambling revenues.

I wonder whether the Minister could tell us what the regional split, if not the provincial split, on the \$100 million will be to assure us that it is people who may have some benefit from the Olympic games who will, in fact, be the ones who will be paying the shot.

He has also indicated that a recent study on the economic impact of the Olympic games envisions approximately \$1.2 billion in new economic activity and 28,000 new person-years of employment. Has that study been tabled or would the Minister be good enough to table it in the House so that we may have a way of assessing it, because an earlier study in the news recently—

**Mr. Speaker:** I am sorry but I must indicate to the Hon. Member that the time for his statement in reply has expired, unless the Member could come to an end in a very short time.

**Mr. Epp (Thunder Bay-Nipigon):** Other points that I would like to make have to do with the additional \$100 million. As has already been suggested by my Liberal colleague, the coin program may not reach \$50 million. If it does not, more than \$50 million will have to come from the private quarter—

**Mr. Speaker:** I am sorry, I must indicate to the Hon. Member that his time has expired.

**Mr. Paproski:** I would like to ask the Minister a question if I may, Mr. Speaker. I would like to know if this \$100 million is a one-time contribution over the next three years from the provinces, and does the original agreement for which the annual funding from the provinces from the lotteries, I believe, is around \$37 million to \$38 million still exist? Is this money over and above the \$37 or \$38 million that the federal Government is receiving from the provinces at this time?

**Mr. Jelinek:** Mr. Speaker, I am pleased to confirm to the Hon. Member that the 1979 agreement does indeed stay intact. As he knows, we are receiving in the neighbourhood of \$36 to \$37 million a year tied to the CPI. Those Members who are suggesting that we have given away the store are totally on the wrong side of the track because we are getting our fair share from the provinces. The agreement that I announced today is separate from the 1979 agreement. It is a one-shot deal beyond and above the monies that the provinces are already contributing to sports and cultural matters, from the federal perspective.

**Mr. Marchi:** Mr. Speaker, that was one of the questions that I was going to ask. What I was going to ask as a supplementary was whether or not the Minister would see fit, since he was discussing with his provincial counterparts amending that 1979 agreement, to try to get a much fairer split for the federal side.

Second, I would like to get an indication from the Minister as to how he plans to make up that shortfall between \$50 million and \$70 million depending on how much the Olympic coin program is going to be generating, so that we will be able to know more specifically the complete package of the \$200 million commitment that was made by the Government.

Last, I would like to know, based on the interventions made by my hon. friend from the NDP Party, what the provincial split will be. Will it be an even type of agreement based on all the 10 provinces, or will some provinces, particularly the host