

*Oral Questions*

● (1420)

**Mr. Halliday:** My question is directed to the Minister of State (Fitness and Amateur Sport). Since the \$13 million of public funds which the minister squandered on behalf of the federal government and two provincial governments is almost one-half of her total budget for this coming year, does this gross error account for the fact that she had to completely withdraw support for six provincial organizations responsible for sport and recreation for the disabled?

**Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)):** Mr. Speaker, it accounts for the fact that beginning January 1, 1980, there will probably be \$40 million for sport at the national level and \$40 million for the arts at the national level. If we had listened to the hon. member's colleagues or, in fact, to some of the lottery ministers of the Conservative provinces, there would be no Loto Canada today.

Let us get the facts straight. Each of the two parties gave up two items. The provinces surrendered the principle which they had been maintaining, that the provincial lottery should be exclusive in this country. They gave that up to allow Loto Canada to continue in an agreement of which the hon. member has a copy. In addition, they gave up \$5.15 million. Loto Canada, on its side, surrendered the \$1 lottery and we gave up \$7.97 million to ensure that, unlike the Leader of the Opposition who in Vancouver last week said that he would end Loto Canada.

**Some hon. Members:** Order.

**An hon. Member:** Resign.

**Mrs. Campagnolo:** That would have cost the people of Canada, as a national purpose, \$72 million this year. Therefore, I say the absent Leader of the Opposition would have cost national purposes—

**Mr. Speaker:** Order, please.

**An hon. Member:** Now we know what a non-answer is.

**Mr. Halliday:** A supplementary question to the minister, Mr. Speaker. The Minister of State (Fitness and Amateur Sport) seems to be implying that the new policy of the government, in order to reach agreements with the provinces, is to waste a considerable amount of public funds.

May I ask the minister if she now concedes that she made an error of decision in entering into the ill-fated contracts for Loto Select, when at the very same time she was announcing reductions in grants to many worth-while national organizations such as the Red Cross, the YM-YWCA, the Girl Guides and the Boy Scouts?

**Mrs. Campagnolo:** Mr. Speaker, I would repeat to the hon. opposition critic that the money has been spent as an investment to keep Loto Canada at the national level. I think hon. members opposite know that their leader is determined to become the eleventh premier of this country by getting rid of

[Mr. Speaker.]

national enterprises such as Loto Canada, Petro-Canada and probably anything else of national import.

To answer the hon. gentleman's question in which he said that the YM-YWCA, water safety courses and other things, have not received funding from me this year, I must say he is quite correct. That is the result of a federal-provincial conference where the provinces asked for the right to have these things under provincial purview. We did yield to that request, but we did maintain our purview in fitness and sport and at the national level.

MINISTER'S CONSULTATIONS WITH PROVINCES RESPECTING  
LOTTERIES—REQUEST FOR AUDITOR GENERAL'S  
INVESTIGATION OF LOTO CANADA

**Mr. Stuart Leggatt (New Westminster):** Mr. Speaker, I should like to direct some questions to the Minister of State (Fitness and Amateur Sport). I should like to take her back to the source of the loss. A loss is a loss, no matter what she says.

**Some hon. Members:** Oh, oh!

**Some hon. Members:** Hear, hear!

**Mr. Leggatt:** Not all the way back. My question deals with the consultations the minister had with her provincial counterparts with regard to Loto Canada. There were several meetings, some in June and some later, which dealt with the question of Loto Select. Can the minister advise whether she had any agreement from the provincial governments before she went into this scheme which has squandered some \$13 million of federal tax money?

**Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)):** Mr. Speaker, if I had any proper co-operation with the provinces, I doubt very much that we would have had to go to these lengths of competition.

**Some hon. Members:** Oh, oh!

**Mrs. Campagnolo:** The hon. member who is from British Columbia should know that it was our province of British Columbia that refused to attend the conference; our province that refused and broke the conference that was scheduled for September, 1977. I am quite sure that if that conference had taken place, the \$1 lotteries would never have been undertaken as they were.

I do not know what the hon. gentleman intends with the rest of his question. He knows very well that the meeting in June was one where the federal government, through Loto Canada, offered the provinces 50 per cent of our profits. The provinces did not want 50 per cent of our profits; they wanted 100 per cent, which we were not willing to give. Eventually, after bilateral discussions—

**Some hon. Members:** Order.

**Mrs. Campagnolo:** —with the provinces, we gave them 50 per cent of our product. I think that is a fair and equitable arrangement in the circumstances.