

according to an analysis of the company's financial statements which was very positive and considering the fact that funds are available to Cargill for short-term use, the minister, on the basis of the evidence submitted to date is not authorized to grant funds to Cargill. If he did, he would be breaking the law.

The documents and the reply given to the hon. member are very clear in the letter he was provided with, and I therefore, feel his motion is more dilatory than straightforward. Perhaps the hon. member should rephrase it or take a different course of action, such as asking Cargill directly for the documents he is requesting from the department, since the latter is not allowed to make public statements on private financial interests. And I believe that any member of this House would acknowledge the principle is sound. Cargill has never authorized the government to publicly divulge its financial statements or the nature of the application and financial requirements involved here. Cargill never asked the government to do so, and if the hon. member desires further information, I think his best bet would be to go to Cargill and ask for the company's complete financial statements.

• (1720)

When the hon. member met with departmental officials, that is, the minister responsible and all senior officials, on March 23 of this year, the hon. member drew comparisons with the Province of Quebec, where Cargill had been able to obtain funds for the construction of a warehouse in Quebec City. At the time, the minister explained that the situation in Quebec City was entirely different from the Cargill project in Melfort, Saskatchewan. At the meeting, the hon. member had plenty of time to speak with departmental officials. I feel the minister was very clear in his explanations, in terms of the Regional Development Incentives Act. In fact, the hon. member should realize that it is not a matter of the minister refusing to authorize a grant because for some personal reason he does not happen to like it, but that he cannot do so because the company's application does not meet the criteria set forth in the Act. This is a basic factor in the department's decision and its application of the Act. We would be the first to be blamed if the department were to start handing out money to companies who did not really need it. It would be a waste of public funds to distribute government grants more or less indiscriminately to companies with very positive financial statements and which are capable of carrying out such projects independently.

However, I may point out that the department is very conscious of the fact that a \$25 million investment in an area such as Melfort, Saskatchewan, would considerably boost the economy in that area. In this connection, should Cargill be able to submit new facts or elements of information to the department, the latter is willing to review a new application by Cargill at any time, provided new information is submitted for consideration. This aspect is extremely important. Just because a negative decision is made on an initial application does not

mean that the decision stands forever. Cargill may submit a new application at any time, and if new facts are presented, the case can be reconsidered and we can then see whether there are grounds to review the decision and see whether a positive decision can be made, but at this stage, I want to make it quite clear to the hon. member that no one is objecting on the basis of competition or personalities to giving a grant to Cargill under the Regional Development Incentives Act.

The department's present refusal to proceed with the grant under the present Regional Development Incentives Act is simply based on the fact that the company's financial statements give reason to conclude that the company is capable of going ahead with the project itself, a project which we on this side of the House support equally as much as the members opposite. Mr. Speaker, I shall, if I may, add one more fact, namely, that the Regional Development Incentives Act is used on a wide scale to encourage investment outside the large urban centres in order to strengthen the country's economy. Cargill has previously taken advantage of such provisions and has been successful in other areas, obviously depending on where the company wished to expand and on the nature of its application. In this particular case, we are not concerned with analyzing applications to see what the government can do to help some company. However, the Regional Development Incentives Act has helped many areas in Canada to develop, and we, as a government, would be very happy to be able to contribute to further projects and even to a project like the one proposed by Cargill, provided we are not asked to do more than the law authorizes us to do.

That legislation was approved by Parliament and it is unthinkable that any minister or departmental official would disregard the provisions set out by the legislators to meet the basic purpose of the law, which is simply to provide federal financial support to various projects. After having reviewed myself the figures I was given, I readily realized that, in the case of Cargill, it would be neither fair nor equitable in the present circumstances to provide public funds to a company like Cargill. Once again, this company transacts business throughout Canada and is a highly responsible corporate citizen which has done a tremendous job in my own constituency in Baie Comeau, where it is located. I can sympathize with the request of the hon. member, but once again, we have to consider the facts and not simply intentions or projections. We must look fully into the facts submitted to the department before making a decision. I can assure the hon. member that if we had been able to find an appropriate formula to grant the subsidy, we would have been most happy to do so. However, we cannot take it upon ourselves, because of our natural generosity, to give a positive answer to this request at the moment. On the other hand, I remind the hon. member that if Cargill wants to rephrase its application and submit new data, the department will always be willing to take all aspects of the matter into consideration.