

*The Address—Mr. Stanfield*

rising food prices was taken from the leader of the New Democratic Party. Apparently the hon. member for York South finds in this proposal, and this feeble gesture, sufficient recognition of his terms for his party's support of this government.

**Some hon. Members:** Shame, shame!

**Mr. Stanfield:** Apparently this is what he meant when he said he did not expect to get a whole loaf but would settle for half a loaf. None of us could have believed that he would settle not only for less than half a loaf but for these crumbs.

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

**Mr. Stanfield:** Members of this House will recall that the wasted years, as described by the hon. member for York South, were marked by an increasing deterioration of relations between the federal government and the provinces. They will recall the federal government's quarrels with the Atlantic provinces in respect of offshore oil development and rights. They will recall the federal government's quarrel with British Columbia and the belligerent and uncooperative attitude of this government toward the government of Ontario. Hon. members will also remember the deaf ear that this government has always turned to the west, until this sudden conversion, and they will recall the complaints expressed by every provincial premier of Canada that this government simply refused to consult or co-operate in such mutually important matters as winter works programs. That was before the election.

During the last election campaign if a leader of a federal opposition party was seen in the company of a provincial premier the Prime Minister (Mr. Trudeau) considered that to be something sinister. Our party proposed during the last campaign to end this unhappy period of alienation and hostility. Speaking in Calgary in the company of three provincial premiers I said:

The commitment I make to the people of Canada in return for their support is to restore the spirit of Confederation and the spirit of co-operation, the recognition of the need for consultation and the recognition of the need for coordination of federal policies with provincial priorities.

I went on to state:

The first action of a Progressive Conservative government toward fulfilling all the promise of Confederation would be to convene a federal-provincial meeting on Priorities for Tomorrow.

The response of the government at that time was silence. Now, mark this miracle of repentance and conversion as we see it in the throne speech. "Finally" in the words of the throne speech, and "finally" is the operative word, is to the effect that "it must be accepted that a reconsideration of Canadian social services must be conducted jointly by the federal government and the provinces".

Again, when the government introduced its policy with regard to foreign takeovers of Canadian-owned businesses we made the point, and we were joined by quite a few others in this, that this proposal of the government had been developed and presented to parliament without any consultation whatever with the provinces. The Premier of Ontario said repeatedly that no effective policy could be introduced in this regard until and unless effec-

[Mr. Stanfield.]

tie coordination and co-operation between the federal and provincial jurisdictions had been worked out. The response of this government at that time to what was obviously a commonsense statement was silence.

There is a final recognition of the principle of the need for consultation in this area. The Prime Minister has proposed to meet with provincial first ministers in order to harmonize goals, policies and programs for the benefit of all Canadians. In short, he has caved in. It has occurred to him that there is a need for the conference for which we have been calling for so long. In fact, Sir, as I read the throne speech, there seems to be a frenzy of consultation, and the only conclusion I can draw is that it is a long way from October 30 to Damascus.

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

**Mr. Stanfield:** Perhaps as striking as the Prime Minister's sudden embracing of federal-provincial co-operation and consultation is the government's sudden and swift concern for small business. We recognize the problems of Canadian small business and the need for incentives in the interest of the economy generally, with the specific intention of creating employment. It is our belief that by providing growth incentives through tax credits to small business more can be done to stimulate private initiative, more can be done to create new job opportunities and to stimulate the demand for goods and services than through the direct government loans, concessions and programs which are now in effect. On October 19, we put forward this argument and supported it by specific policy proposals. The response of the government was completely negative. The Prime Minister, of course, had little or nothing to say because that was his campaign style. Instead, the matter was left to the Minister of Finance (Mr. Turner). I quote him.

• (1510)

It would provide an opportunity for some individuals to reap a rich bonanza without any demonstrated need of small business for funds.

This in spite of the fact that small business failures in August of this year reached record levels, and from then on represented the worst record of small business failures since the days of the depression. Yet the response of this government through the mouth of the Minister of Finance was that the need has not been demonstrated.

Something has happened since October 30 to change the mind of the government. They have promised aid to small business through the provision of management and consulting services, which I suspect perhaps means the provision of some of the consultants left over from among all the consultants who are now consulting the government. They have promised to improve access to finance facilities, whatever that might mean, and I suspect not even the government itself knows what it might mean. The government proposes the extension and improvement of the Industrial Development Bank which might mean that the IDB will be encouraged to make collateral loans directly, or it might mean something else, or it might mean nothing. Mention is made in the Throne Speech of decentralization of the Department of Regional Economic Expansion which, long before the election, the provinces had