

Supply

non-Canadian investment which will help to harness the potential which exists in Canada. We believe that investment will begin to create the jobs which were not created as a result of previous policies. In short, this Government will once again get the real economic growth in the country, both on a regional and a national level, up to the potential which can be ours. It can be ours if, once again, we return confidence to Canada and turn away from the debilitating attitudes and thrusts of the previous Government.

The Acting Speaker (Mr. Paproski): Questions or comments?

Mr. Manly: Mr. Speaker, I would like to ask the Minister several questions about the situation in British Columbia. He referred to agreements which have been reached with other provinces, but there are still no dollar figures forthcoming for British Columbia. British Columbia is still waiting for money to flow under the forestry agreement. It is becoming crucial.

Last Friday, when the unemployment statistics were released, the Prime Minister (Mr. Mulroney) bragged that the Government had created some 201,000 jobs across Canada. If British Columbia had received its fair share of those jobs, it should have received 20,000 additional jobs. However, in April, unemployment went up by 1,000 jobs. British Columbia has 23,000 fewer people working today than when the Conservative Government took office. The unemployment rate in September was 14.1 per cent and today it is 15.4 per cent. In September, 1,226,000 British Columbians were employed. Today, 1,203,000 British Columbians are employed. That represents a loss of 23,000 jobs. Can the Minister tell us when the dollars will start flowing to British Columbia? Why have the dollar figures not been reached? Is it because this Government is not prepared to give British Columbia a proportionate share compared to what Quebec has received? Or is it because this Government does not have confidence in the Government of British Columbia and in the way it wants to spend the money?

Mr. Stevens: Mr. Speaker, the Hon. Member, who comes from British Columbia, has the answer ready at hand. I suggest that he talk with his friends in Victoria to find out why they are not willing to accept the figures which we offered them. Those figures were on a comparable basis to what other provinces accepted with respect to ERDA funding. Perhaps he could tell us what the Government in Victoria feels at the present time. Certainly, we are willing to sign and start the funds flowing.

● (1200)

Mr. Axworthy: The Minister's comments only reinforce the case we are making that this Government has a wonderful inclination for self-delusion. He ended up his grand peroration by talking about the performance of the Crown corporations based upon the last annual report of companies like Canadair, de Havilland and Devco. Those corporations, of course, are all reporting for the year 1984 when the Liberal Government was their proprietor and manager for nine months of that year.

What we are saying is that in the coming Budget the Government will not be able to hide under those programs any longer.

Mr. Stevens: Who does your research?

Mr. Axworthy: The research is pretty obvious as I read the reports. I suggest you do the same.

Mr. Stevens: Take a look at the dates on them.

Mr. Axworthy: I do want to raise some interesting questions concerning Manitoba. The Minister tells us what wonderful things he is doing there. I would like him first to explain why it is that when our Party left the Government, Manitoba had the second highest rate of growth of any province in Canada and now it has the lowest rate of growth as of the latest figures of this year? Has that been the result of all the grand initiatives taken by this new Government? It has turned around a province which had momentum and development.

I would like the Minister to comment also on a statement made by one of his own officials, a member of his own Department in that province. The industry Minister of the provincial Government, Mr. Kostyra, publicly complained that requests for a number of major industrial grants had been turned down by the Minister's Department with respect to companies such as Canada Packers and Melrose Foods. He had a whole list of companies which would have provided a number of jobs and development which had all been turned down by the federal Department of Regional Industrial Expansion. I quote from *The Winnipeg Free Press* of May 6, 1985, as follows:

A spokesman for the federal Department said it would be impossible to determine whether more applications are being accepted now compared to two years ago because the program has been changed—

That's true.

He noted the federal Government reduced the national budget of the industry and regional development program by \$200 million last November. He also said changes to the program have made it much more difficult to obtain funding.

That is a clear indication that one region, which had a very high rate of growth and was beginning to develop the confidence about which the Minister talks, now has the lowest rate of growth in the country and does not have that confidence any more. And one of the key reasons for this has been the withdrawal and reduction of federal investments in that province.

I would like the Minister to explain the words of his own official, who clearly put the finger on the problem, which was the reduction of the budget for IRDP, and the program changes, which mean that a city like Winnipeg is eliminated from any tier one financing. I would particularly like to know if he can now guarantee, or give us assurances, that come the Budget next week, there will be no further cuts in IRD programs and no further cuts in regional development incentives for the province so that while the present level of funding is inadequate and is obviously having a drastically negative effect, the federal Government will not simply throw the province into a state of total disarray by further cuts and reductions?