The Address-Mr. Howie

although a distressingly low proportion of it seems to be permanent. Worse still, DREE's own studies show that most of the federal money spent here flows back to the manufacturers, retailers and financial institutions based in central Canada.

The December budget took a more flexible and realistic approach to industrial development. The tax contracts offered to firms locating or expanding in the maritimes and Gaspé could be tailored to the nature of a specific project and would have rewarded only viable enterprise—a favourable contrast to the practice of subsidizing the capital costs of speculative ventures. The new provisions for research and development, combined with DREE's new emphasis on small industries using local products and workers, were further indications of a new realism and a determination to improve economic conditions in the maritimes.

Nor did the budget neglect the special needs of existing industries. The provision allowing farmers, fishermen and others to deduct salaries paid to spouses from taxable income would have had its greatest impact, proportionately speaking, in the maritimes. By offering substantial incentives for the modernization of our fishing fleets, the budget offered a hope of reversing the growing dominance of foreign fleets. The previous government was determined not only to build a modern fishing fleet, but also to create a substantial Canadian merchant marine. This project is of vital interest to all of Canada at a time when we spend \$4 billion annually for foreign shipping services, and when the new United Nations Code for Waterborne Trade, which guarantees trading countries a proportionate share of the traffic, is about to come into effect. Obviously there are special opportunities here for coastal provinces because of their location, their port facilities, and the existing skills and traditions of their people.

Just before the election I was pleased to receive and endorse recommendations of the port of Saint John's master plan study. More than a year in preparation, it brings together all of the opportunities Saint John could seize over the next ten years, and spells out the requirements. The recommendations should receive serious attention and immediate action by the new government.

Naturally, I urge the present government to continue our initiatives in respect of the maritimes, and to accord them the same high priority. There is no logical reason why they should not. These are not partisan or philosophical questions at all. Still, I find it hard to be optimistic.

I was staggered recently when I re-read the speech I delivered at the first session of the Thirtieth Parliament in 1974. Then, as now, I faced a newly elected Liberal majority. I take the liberty of quoting myself:

There must be more positive action taken by government now in meeting the energy problems of our Atlantic region and of the country as a whole. We must not only be concerned about the supply and the use of our non-renewable energy resources such as oil, gas and coal, but more thought must be given to our renewable energy resources such as tidal and conventional hydro power... which can be used or sold independently of the whims of the Arabs or any other foreign influence.

In five years the Liberals did virtually nothing to meet this obvious need. The same can be said about their failure to

modernize the fishing fleet, their apparent failure to notice that economic incentive programs were not creating permanent jobs, and their indifference to visibly growing dependence on unemployment insurance. In fact their solution to the latter phenomenon was to disqualify claimants and thrust them on to provincial welfare rolls.

Did they learn anything from their defeat in May, 1979? I have yet to see the evidence. With their strange bedfellows, they brought the government down on a budget which addressed these needs, and fought stubbornly against reality on the matter of energy—long-term pain for short-term gain.

Will they now deal seriously with this region? The chances are not good. First, they have to wriggle out of their cynical oil pricing commitment to Ontario, to get a large share of oil revenues without raising the excise tax, and reach an agreement with producing provinces while overcoming the hostility and suspicion their campaign created in the west. I doubt that they can do this, no matter how much time they have. Within two years they will be back to governing by the month, from Gallup poll to Gallup poll. Half the cabinet will be out looking for leadership votes, and the other half angling for positions in the new régime. Neither preoccupation augurs well for the nation's most ignored political bloc.

Even before then, there will be other distractions: The Minister of Industry, Trade and Commerce (Mr. Gray) will be busy rationalizing his interest rate hypocrisy and appeasing the Foreign Investment Review Agency fans. There is a sad irony here.

So-called economic nationalists have no trouble recognizing the costs of a branch plant economy to Ontario, but they do not see that the maritimes suffer from the same kind of colonial status vis-à-vis central Canada, only more severely.

Finally, will the Minister of Employment and Immigration (Mr. Axworthy) use his discretionary power with such alacrity in clearing up unemployment insurance anomalies in the maritimes as he has in helping workers in Windsor, which has three cabinet ministers? I desperately hope I am wrong about this and that, like Saul on the road to Damascus, a miraculous change of character can take place. But it is so much more convenient to maintain the state of dependency with welfare for the region and special crumbs for the party faithful.

Although York-Sunbury is generally more prosperous than most of its neighbouring districts, it has its own forgotten and disadvantaged citizens, as well as unique problems and special opportunities. In York-Sunbury we have Canadian Forces Base Gagetown, the largest army training area in the British Commonwealth. When the Clark government left power the base development plan called for a \$40 million training facility to come on-line in 1985. It is important that this facility be moved forward to provide employment for a large number of Canadians who are seeking work in the construction trades. Increased use of the training facilities at Canadian Forces Base Gagetown is a matter of utmost importance to provide more trained soldiers for our armed forces and the very important spin-off for the military town of Oromocto, and, indeed, all of central New Brunswick.