

The Address—Mr. Howie

Economic Expansion (Mr. Jamieson) in this debate, although I enjoyed it very much, have thrown any meaningful light on this subject except for an oblique reference to the effect that DREE would be decentralized.

My conception of DREE is of a federally strong department backed by all the resources of Canada, such as the original Atlantic Development Board was to have been. It was my belief, shared by maritimers generally, that DREE was created expressly to help underdeveloped regions in their quest for national standards of living. If DREE had been used for that purpose, we would no doubt have far better conditions in the Atlantic provinces today. Unhappily, DREE has been used primarily to prop up the national economy in times of stress and strain and, heaven knows, there have been plenty of times like those in the last four years.

Practically every part of Canada has experienced the need for and been brought under the aegis of DREE. The concentration of funds needed in the Atlantic provinces for infrastructures and the provision of secondary industries has not been available in these areas in amounts necessary to combat the chronic depression, the seasonal unemployment and the low per capita incomes of the Maritimes. In short, it seems that the grievous errors made in national planning have cast DREE in a stopgap role instead of that of a facilitator for the economic recovery of Atlantic Canada.

In my view, DREE must develop policies which can have an enormous impact on regional development. It has to be a bold and vigorous DREE, to be sure, and one which is in close communion with the places it serves. But it has to be a DREE properly administered, with the outstanding goals of eliminating the disparities which it is attacking and focusing the combined efforts of all agencies on the problems before it.

After the fortunes of war had turned against the right hon. member for Prince Albert (Mr. Diefenbaker) in 1963, successive Liberal governments failed to realize the magnitude of the task. To bring a whole region of Canada, depressed for generations, to economic, monetary and social parity with the rest of the country is a mountainous undertaking requiring massive infusions of funds and investments. Piecemeal doles, such as those handed out by the Liberal government after 1963 which played havoc with the Atlantic Development Board, and even those presided over by DREE, have been able to do nothing more than keep the region sliding backward.

The right hon. member for Prince Albert was thinking in terms of a billion dollars of federal investment in the Atlantic provinces when he created the Atlantic Development Board. This was to prime corporate investment of \$3 billion more. He seized the nettle in 1962, introduced the principle of regionalism into federal politics and recognized the fact, glossed over during two decades of Liberal rule, that only federal assistance on a titanic scale could strengthen the weak Atlantic link in the chain of confederation. The Atlantic Development Board had no chance to function. The Diefenbaker government fell. The Atlantic Development Board was emasculated by the Liberals and given a fixed fund totally inadequate to the task. Where billions were needed, millions were distributed in bits and pieces.

[Mr. Howie.]

The Department of Regional Economic Expansion performed the best it could within the scope of its policies and finances, but the great and crying needs of the Atlantic provinces, the basic problems, are still unanswered. DREE has been concentrating on industrial aspects with a reasonable degree of success, but the results are discouraging in Atlantic Canada when the magnitude of the task is considered. Also, the scale of its outlay for infrastructures has been puny in relation to the number and size of the projects in the Atlantic area waiting to be developed.

The Atlantic Development Board led by Michael Wardell, before the Liberals got at it, was poised to launch mighty undertakings which could have changed the face and fortune of this part of Canada. It had the blessing of the Conservative government of that day. The green light had been flashed. It was "Go" for the harnessing of the tides of Fundy, the building of the New Brunswick to Prince Edward Island causeway, the exploration of the corridor road across Maine, linking the Maritimes with Sherbrooke, Quebec, and even the much talked about Chignecto canal seemed a possibility.

Those were the infrastructures which the Atlantic provinces needed then, and which I believe are needed today as never before. But with the Liberals came the locusts and nothing was done. To be sure, the causeway was begun—during an election campaign—and stopped afterwards. When the government decided that it had to cut back on national spending, it thought first of the Maritimes just as its Liberal predecessors did. Out went the causeway concept, out went the possibility of developing the Bay of Fundy for electric power, and out went all interest in Chignecto and the corridor road.

The right hon. member for Prince Albert, Hugh John Flemming, Michael Wardell and K. C. Irving were on the right track when they said, "Invest first in the great infrastructures, and industrial expansion will follow as day follows night." The policies of the Liberal politicians, bureaucrats, economists and academics, while having some merit, were inadequate in attempting to pay industries to settle in the Maritimes and buy jobs.

The great need in Atlantic Canada is still for a massive program of self-liquidating public works and capital budgets financed out of loans. Investment on a massive scale can create production, employment and profits. It can cut those annual aids which the state of the Atlantic economy compels the other provinces to provide. If the infrastructure is set right—the power developments, the canals, the roads, the ports and the harbours—industry can do without the subsidies.

Transportation and regional development are inextricably linked. Thus, there should be constant consultation and communication between the Department of Transport and the Department of Regional Economic Expansion. In the past, so far as is known, there has been little of either. Now we have a strange situation in the House. The former minister of transport and the former minister of regional economic expansion have swapped seats in the cabinet. I hope they will put their heads together, as the times demand, to bring into effect the Atlantic transportation policy which must come if regional equality is ever to be attained.