

### Supply

about the situation in Newfoundland but there should be a great potential for that industry there as well. Provincial governments have been of tremendous assistance in helping to move that product to New York and to Japan. When we see something like that happening, and we see movement, then I believe that there should be within our agricultural policy the ways and means through transportation policy or through some other area of agriculture—through the development of frozen food plants and things of that nature—to take greater advantage of it. I believe that a transportation study could look at a product similar to this, see how it is developed, see how it has taken off as far as sales are concerned, and see how we can assist it to a greater degree than at the present time.

● (1710)

**The Acting Speaker (Mr. Guilbault):** Are there any more questions? For debate, the Hon. Member for Gander-Twillingate (Mr. Baker).

**Mr. George Baker (Gander-Twillingate):** Mr. Speaker, I would like to make a few brief remarks. I am sorry that I was not present for all of the debate, but I had to leave halfway through this afternoon to chair the Fisheries and Forestry Committee meeting. However, I did listen to some of the remarks that were made prior to that committee meeting. I would like to make some direct reference to the general implications left by the Hon. Member for St. John's West (Mr. Crosbie) and, generally speaking, to comment about the perceived intent of the subject matter of the motion before us.

First, there have been many times when provincial governments and federal politicians have said that with the elimination of DREE there has been a substantial reduction in agreements with provincial governments. If one goes back over the figures for the first year that the new system came into being, some \$214.4 million was committed for the Atlantic region, whereas in the previous year, 1981-82, the figure stood at \$155.9 million. We can do anything with figures as far as DREE and the set-up which we presently have are concerned. However, we must understand that just recently in Newfoundland, a new ten-year umbrella agreement was signed with the federal Government. That agreement will facilitate the same types of agreements that were in effect under DREE. Even without the ten-year umbrella agreement, we saw a continuation of cost-share agreements into forestry and into ocean industries—which was a recent initiative on the part of the federal Government with the provincial government. We have seen the same discussions on the rural development agreement and on tourism.

The rural development agreement between the federal Government and the Government of Newfoundland appears to be bogged down. Unfortunately, the Hon. Member for St. John's West did not explain why that agreement was bogged down. The federal Government actually wanted to give more money to the development associations than did the provincial government. That is a fantastic idea on the part of the provincial government! The federal Government actually wanted to give

them more money each year. Now they have a dispute on what that amount of money will be.

I have always had a basic problem with the general development agreements that are signed with the provinces. It is this: What they have done over the years is to create a disparity within an area of regional disparity. We have had agreements signed over the years that saw infrastructure established not in the small rural communities or in the rural areas as much as in the urban areas. If we examine the general development agreements for infrastructure under DREE, we find that to be true in every province in Atlantic Canada. It is unfortunate. When a Member represents an area, as I do, where people must travel over dirt roads day and night, where people cannot paint their houses because of the dust flying in the middle of the summer, where people cannot travel the roads in the fall and in the spring because the mud is up to the axles, and where people cannot get from point A to point B where there might be paved roads without travelling over an extensive area of dirt roads, then the federal Government and the provincial Government of Newfoundland under DREE would sign a big, let us say \$55 million, agreement, to put an arterial road into the City of St. John's. The rationale used was that the main roads were congested. As I travelled throughout the rural areas in my constituency and saw what people had to live with, I was not too concerned about whether or not someone took ten minutes longer getting home from work in the urban area. There does not appear to be any rationale to those agreements.

The biggest problem in my constituency of rural Newfoundland is drinking water. There is no other problem that is as big as that. We have hundreds, perhaps thousands, of school children who drink water when they are home that is judged by the provincial Department of Health to have bacteria counts too numerous to mention. This is in 1984. That is the reality in certain communities. There are about 50 such communities in my riding where there is no running drinking water. Yet agreements have been signed by DREE to put water systems in the urban areas. The City of St. John's has a brand new water system because the level of the lake that it was using had dropped a few inches. I am not saying that it was not necessary to put in big infrastructure under DREE into our cities. I am not saying that. It was necessary. But there does not appear to be a mechanism to treat people fairly throughout a province like Newfoundland. It did not go to the root of the problem or to where the problem was worse than it was in urban areas.

That is basically what I find wrong with the system. What I found wrong with DREE is that agreements were signed, for example, in the fisheries infrastructure to build marine service centres. That is great. That is a fantastic idea. But in, each case the agreements were signed when the marine service centre was already finished or about to be finished. In other words, it amounts to this: all the general development agreements were made up by the provincial government to do things that the provincial government wanted to do. Not very often, if ever, would the federal Government say, "No, we are not going to cost-share this agreement". There was always the