

*Government Organization*

that in Quebec there is but one economic, financial and commercial pole formed by the Montreal metropolitan area.

Mr. Chairman, in view of those obvious regional disparities it would do no good to talk nonsense and compare one region to another. When regional comparisons are made, I think all hon. members realize that all is not perfect in Canada.

Suffice it to say that there are very rich provinces and rich provinces which are underdeveloped. Some eastern provinces are in an essentially different situation from the western or central provinces. In short, our country is such that it cannot be considered as a whole. Does it mean that it is impossible to imagine an absolutely homogeneous economy or government investments? On the contrary, Mr. Chairman, we must grant assistance adjusted to the various areas, according to their needs.

It is no longer possible, Mr. Chairman, to have a uniform policy of economic growth throughout Canada. It is inconceivable. Canada is not truly an homogeneous whole and it was a mistake in the past to believe it and to act accordingly, because if we considered Canada as an homogeneous whole, it would be impossible to prevent it from plunging into economic confusion, as it is now in danger of falling into linguistic confusion.

How does Canada look right now, Mr. Chairman? Like a country thoroughly disturbed by a revolution, a quiet one according to some, an economic one according to others. We see a nervous Quebec, puzzled, rich and poor provinces. And today a new department is established, that of Regional Economic Expansion. Even if it cannot be expected to solve every problem, I believe none the less that with the instruments mentioned by the minister in his preliminary remarks it shall certainly be possible to help Canadians provided that before setting up his department or making any grants whatever the minister gets closer to the people and tries to understand their needs instead of sticking to the Establishment, as I am afraid he will, and holding on to an administration more and more alien from the people.

The minister was talking about measures such as social rehabilitation in rural surroundings, an industrial development program, regional development programs, the establishment of an interdepartmental structure through a federal-provincial process. He was also talking of making grants or loans to

provinces or municipalities as well as grants or loan guarantees under an industrial incentive program. Such measures, Mr. Chairman, can on the whole benefit regional economic expansion and contribute to the progress of Canada where injustices brought about by regional disparities will disappear.

However, Mr. Chairman, at the present stage of the debate on the establishment of this new department, I have to direct some questions to the minister.

For instance, while he speaks of making grants or loans to the provinces and the municipalities, could the minister explain clearly what the interest rates might be? I wish to remind him that at this stage of the debate, the Ralliement Cr ditiste is in favour of grants or loans but believes that the aid supplied by the Canadian government to foreign countries should also be available to the Canadian people, since public enterprises are involved.

Mr. Chairman, why should high finance be allowed to make profits on loans from the federal government to the provinces and the municipalities for regional economic expansion? Can the minister state precisely the terms of such loans, so that we may see whether they are the same as the ones supplied to foreign countries?

Mr. Chairman, the Speech from the Throne opening the 28th Parliament started as follows. I quote:

Across the land there are great expectations of what this Parliament will produce.

Further on, the Speech from the Throne refers also, and I quote, to:

—a sober awareness of reality.

Now, Mr. Chairman, while establishing that new superdepartment, as the newspapers have called it, the government intends to grapple with regional disparities.

● (4:10 p.m.)

Canada is now going through a monetary crisis which is at the heart of the problem. Economic and social problems inevitably follow, Mr. Chairman. In order to demonstrate that what I am saying is true, I shall merely point out as an example the financing of the public sector.

For a very long time, Liberal or Progressive Conservative governments have adopted a policy of borrowing billions of dollars abroad. Every year, the minister starts on a pilgrimage to foreign countries in order to collect the funds necessary to refloat our economy. Foreign countries willingly make