

*Regional Development*

MacDonald), the hon. member for Saint John-Lancaster (Mr. Bell), the hon. member for Moncton (Mr. Thomas) and the hon. member for South Shore (Mr. Crouse) do not criticize. Here, for the first time, the federal government has said, "We want to equalize opportunity. Here are some funds. Go to the municipalities and decide how you want this money spent; what programs you want."

This program has just started. It may be politically expedient for some hon. members to try to judge the results of the program after only two or three years, but it is unfair to do so. Let me put a few facts on the record concerning members of the New Democratic Party. When we in the committee on regional development were discussing regional development legislation a few years ago you would never guess, Mr. Speaker, what the hon. member for Oshawa-Whitby (Mr. Broadbent) suggested. He has been fired from the committee since then and replaced by a more practical member from the west. The hon. member had the audacity to put to the House at report stage two ridiculous propositions. First of all, he proposed that foreign companies should not, as the minister said, receive grants. In this respect he has some kind of phobia. He thinks it is very bad to have foreign investors come to this country. He forgets we are a country that is capital deficient. I realize he did not really appreciate what he was suggesting, in his desire to fulfil his philosophical ambition, and because of his fear of foreign domination of our economy he gave a stupid and naïve interpretation of the regional development program.

• (1530)

As far as his second suggestion is concerned, I see a conflict between it and the proposals of the hon. member for Waterloo (Mr. Saltsman), a very practical and more pragmatic member who knows more about everyday life since he has had to work for a living. The hon. member for Oshawa-Whitby went on to suggest at the report stage that grants should be given to every service industry. Just imagine that, Mr. Speaker! If his proposal were put into effect, it would mean that every little truck delivering milk, ice-cream or packets of chips would qualify for an industrial incentive grant. The hon. member would assist the transportation companies and all the service industries, such as restaurants and motels.

He has some crazy ideas about economics and state intervention. He thinks that ideology can settle such problems. The hon. member for Oshawa-Whitby should not have suggested either in committee or in the House that grants should be given the service industries, and when he did the hon. member for Waterloo went red in the face; he could not believe his ears. This shows that we just cannot take the theories of the NDP, their economic planning or the philosophy of the hon. member for York South (Mr. Lewis), seriously. I suggest these hon. members visit the slow growth areas, find out a little more about what the people really want and consequently learn a little more about practical economics.

[Translation]

Mr. Speaker, I do not want to talk about the overall situation; I would like to talk about my area, and especially the ARDA-FRED Agreement which is now being

[Mr. Breaux]

reviewed by the Department of Regional Economic Expansion and the province of New Brunswick.

I see regional development efforts in three ways. Payments are made to individuals, and because some areas are more prosperous than others, some people will get lower incomes. Therefore, all the welfare programs of governments, be they unemployment insurance, manpower training, or straight welfare, are going to result in an injection of capital for the benefit of the people living in those areas because of their lower incomes. This is going to help the service industries.

Another form of regional development as I see it, is the equalization payment system, where money is given to provinces, but I see regional development as being effected through special agreements like those the Department of Regional Economic Expansion has been entering into until now.

Mr. Speaker, the ARDA-FRED Agreement signed by the department in 1966 followed a provincial injection of capital due, for instance, to reform in New Brunswick. Nowadays, however, there seems to be a conflict in regional development concepts between the province of New Brunswick and the federal government. At present, I fear that revision of the agreement may be delayed because of conflict due to the present political climate in New Brunswick. In fact, we now have there a government elected by the south and southwest of the province, while the ARDA-FRED Agreement concerns the northeast area where that government does not arouse great political interest. I am afraid, above all, that equalization payments may not apply to that area.

I merely want to say that in revising the ARDA-FRED Agreement, the political context in New Brunswick should be taken into account because, at the present time, the equalization payments do no affect that area as they should.

[English]

**Mr. Speaker:** Order, please. I have to interrupt the hon. member; his time has expired.

**Mr. John Burton (Regina East):** Mr. Speaker, this afternoon when the Minister of Regional Economic Expansion (Mr. Marchand) spoke in this debate there was a lot of fury but very little of substance. When the minister chooses to take criticisms of his department as a personal affront I think it demonstrates his failure to understand some of the basic issues which are involved in the subject we are debating.

I note that the minister does not seem to hear very well, either. He said that all the opposition can do is criticize, that they cannot come up with any suggestions for improving his department's programs. I ask, where was the minister this morning? When my leader, the hon. member for York South (Mr. Lewis), was speaking in this debate he outlined a seven-point program which represented proposals made by this party for improving regional development programs. I saw the minister in the House at the time the hon. member for York South was speaking, but apparently he did not listen to the hon. member. The minister is perfectly free to disagree with any or all of the seven points offered by my leader, but simply to say