

Borrowing Authority

do it. But will the Government give the money to the private sector corporation, over which it has absolutely no control? This is the same Government that says Petro-Canada should not be an arm of public policy, in direct contrast to the Restrictive Trade Practices Commission, which said in its report on competition in the petroleum industry concerning the downstream area of the industry:

Petro-Canada gives the Government the opportunity to reduce the competitive restraints and associated public cost of that market, not only without having to pass special laws, but in ongoing pervasive ways that could not be achieved by laws.

Everybody is telling the Government that Petro-Canada has a role. Even the strongest foes of Petro-Canada in western Canada, if they were to be honest with you, would tell you that Petro-Canada has provided some benefit to the energy sector and to the economy.

I think we have a rather frightening situation. We do not know what is going to happen. The situation has not changed in the energy sector in western Canada. The situation is the same: there is still a downturn in the oil and gas industry. This downturn has reduced activity considerably and has reduced the number of wells drilled in 1985 from 12,000 to half of that in 1986. The forecast for 1987 is that the number of wells drilled will be reduced yet again.

● (1600)

The outlook is not encouraging. One of the reasons it is not encouraging is that the people do not have any confidence in the Government. They feel as though they have been betrayed. They supported the Government in the belief that it understood and would bring forward policies that would be helpful to them. They have been completely frustrated and led down the garden path by this Conservative Government.

This is true not only of the situation in western Canada but of the situation in Atlantic Canada as well, and not only with respect to the energy sector. Because there is to be a by-election in St. John's East, the Government has now told Petro-Canada that it wants activity in Terra Nova and the Avalon Basin. This same company, which is not supposed to be an arm of public policy, which is supposed to be completely independent, flew the two Ministers to Newfoundland where they made an announcement of two delineation wells to be drilled. This raised the hopes and led the people of Newfoundland to believe that there would be development of the oil reserves at the Terra Nova site. That is just complete speculation, because this Government does not believe in doing anything in the interests of Newfoundlanders or of any other Canadians. It will be devastating if the Government does not fulfil that commitment, yet Petro-Canada is completely backing away, except, ironically, where the Government has told it that it has to announce activity.

Regional development in Canada is a complete misnomer under this Government. The Government has no policy of regional development. The only regional development in which this Government believes is the strengthening of the muscles

on its behind. The Government has completely forgotten about the needs of Atlantic Canadians and Canadians in have not regions. The Government throws out a fund every now and then, but nothing is ever done with it. There is no commitment to ensure that funds succeed and that economic disparities are corrected.

This Government has developed an arrogance one would not have believed possible in just two years. It is completely disinterested in people and has a complete lack of concern for the problems of Canadians.

Mr. Henderson: Mr. Speaker, I would like to thank my colleague, the Hon. Member for Cape Breton—The Sydneys (Mr. MacLellan) for making a very excellent speech. He outlined very clearly his position on the oil industry and how the Government is failing in its attempt to help the oil industry. Clearly, the Budget and the borrowing authority Bill with which we are dealing today did not address the needs of the oil industry.

I would like to follow up on the Hon. Member's final remarks on regional disparity. The Hon. Member is from Cape Breton and I think he clearly understands that the Government has been a total failure when it comes to job creation in Atlantic Canada. The programs that were announced were programs in name only. There was no substance to them.

In my own Province of Prince Edward Island, we had the highest rate of unemployment in January, 1987 since 1982. Unemployment is now up to 14.6 per cent, but the Hon. Member knows full well that that is not the true picture. These figures are seasonally adjusted and do not take into consideration those who are employed in the fishing industry and others who are drawing UIC benefits.

I would like to point out to the Hon. Member the Government's lack of funding for post-secondary education and have him comment on that. Students from my province have come to me to express their tremendous displeasure at the Government's funding for Established Programs Financing. The University of Prince Edward Island's tuition fees are among the highest in Canada. Last year, tuition fees were \$1,480, plus other mandatory fees and book costs. When you add to that living expenses together with the lack of employment for students in the Atlantic provinces, the situation is almost such that the ordinary young person in Atlantic Canada is being held back by the Government's lack of funding. The Government is not investing in one of the best areas I know of to invest in, and that is, the future of young people.

We in Atlantic Canada have been totally let down in the area of post-secondary education as we were in many other areas. I heard some government Members speak this morning about lowering the deficit from \$32 billion to a projected \$29.5 billion. However, looking at it very carefully, one finds that the reduction is mostly as a result of tax increases and not of any savings that I can see. I see the Government as being penny wise and dollar foolish. It has the largest Cabinet ever, although every week or so one or two cabinet Ministers fall for