

*Supply*

**Mr. MacKay:** We have doubled the deficit simply because we could not, without taking gradual and careful economic measures, cope with this crippling deficit.

**Mr. Keyes:** Like the expenditure of billions of dollars during the election campaign.

**Mr. MacKay:** My colleague opposite should just remember that if he were here as long as some of us he would have watched some of the policies evolve. I remember his present House leader, now the Leader of the Opposition, standing up dripping with sincerity at a time in the 1980s when interest rates were going right through the roof—they were in the 20 per cent range—and saying: “I tell you, if the interest rates don’t come down as a result of our policies, I will resign”. That is on the record.

I remember the then member for Cape Breton Highlands—Canso, Allan J. MacEachen, saying in 1979: “Vote for Allan J. and the price of gasoline will come down and stay down”. As everyone now knows, this was followed by the greatest leap in the price of gasoline that ever happened. This is one of the reasons why we are faced with high energy costs.

**Mr. Keyes:** Do you want us to start listening to election promises?

**Mr. MacKay:** We have learned all about election promises from the party opposite, the party that has left this country with terrible, terrible scars which will take probably another generation to heal. What Juan Peron did for Argentina, Pierre Trudeau did for Canada, and history will record this.

I would have thought that my colleague opposite would have come out with a more constructive and a more, shall we say, thoughtful resolution asking us perhaps to reconsider our regional development policies, modify them, even put more resources into them, or perhaps work more closely with certain other agencies. Instead we get a blanket condemnation. Unfortunately that is the style that has been typical of the gentlemen opposite. They have short attention spans. They think that the Canadian people have equally short attention spans and short memories.

My colleague opposite with sincerity talks about a central economic policy for regional development. We had that. We had DREE which was created by Prime Minister Trudeau. Jean Marchand, a very distinguished

former member of this House, was put in charge. It did not work.

Then we had DRIE, which particularly in Atlantic Canada became known as the department of ridiculous industrial expectations. It was dry all right because it took about 14 different processes to get anything done.

Then we had other policies which showed everyone that a centralist policy in a country like ours will not work. The tier system that was brought in under DRIE favoured industries to move into southern Ontario, places like Windsor, not into northern Ontario where they were needed.

What has this government done? What we have done is we have brought in regional development agencies, regionally managed and regionally sensitive, so that people across this country who have different economic priorities and different ideas for development can realize them.

**Mr. Nault:** You cut VIA.

**Mr. MacKay:** He talks about VIA. You know, it costs hundreds of dollars per passenger to run VIA. If this is the way that the gentlemen opposite want to spend taxpayers’ money, that is fine. We think that regional development funds can best be spent on policies that will create work.

Down in Cape Breton we had a white elephant that was costing tens of millions of dollars to make heavy water which nobody could use. There was a lot of fuss when we terminated this particular agency, but at the same time it was not needed and it was a needless drain on the resources of this country.

In Atlantic Canada the Liberal opposition members—and I will speak about Atlantic Canada if I may—refused even to support the existence of this government’s vehicle to promote and to foster regional economic development. They voted against it in the House and then they criticized the agency for not doing enough. Some members opposite even criticized ACOA for spending too much money too quickly. That is a switch. Lately we have been hearing some very strange utterances.

I see my friend from Essex—Windsor in the House. When he was campaigning for the leadership of his party—and I want to congratulate him for he did very well up to the third ballot I believe—he was in Atlantic Canada campaigning and I believe that he was advocating that we dismantle ACOA and replace it with some