

I hope I can make more progress with the Deputy Prime Minister with respect to a very serious matter raised by some of his colleagues in terms of the possible abolition of the Department of Regional Economic Expansion. Apparently some of his colleagues have been arguing for this in recent weeks. Can the Deputy Prime Minister indicate whether that problem has been resolved within cabinet and more importantly, what initiatives are being contemplated by the government with respect to a more flexible and effective program under the Department of Regional Economic Expansion to get at the serious unemployment problem in the five eastern provinces?

**Hon. Allan J. MacEachen (Deputy Prime Minister):** Mr. Speaker, I can certainly assure the hon. member that there is no problem whatsoever about the continued existence of the Department of Regional Economic Expansion and no such problem has ever existed. I can assure my hon. friend that there is absolutely no foundation to the speculation that has been current about the possible abolition of the Department of Regional Economic Expansion. It has been a rather useful speculation, however, in the sense that so many people have come forward to praise and support the work of the department.

**Mr. MacDonald (Egmont):** Mr. Speaker, I hope the Acting Prime Minister has communicated this vital information to some of his colleagues sitting near him as well as to the Prime Minister. In light of this new found interest and support can the Deputy Prime Minister indicate whether some of the excellent suggestions made by the five eastern provinces as well as a number of interested groups, such as the Atlantic Provinces Economic Council and the Atlantic Provinces Chamber of Commerce, with respect to major changes in the effectiveness of DREE programs, will be implemented rather than the patchwork programs of the last few months?

**Mr. MacEachen:** Mr. Speaker, I agree that it may be possible to improve the effectiveness of DREE. It may be possible and to that extent I support the representations made by the hon. member. Ideas have been put forward by provincial premiers and, as the hon. member knows, in the current series of meetings and in subsequent meetings between the Prime Minister and the provincial premiers there will be opportunity to advance this particular discussion. I can reassure the hon. member on two points: First, there is no possibility that DREE will be terminated and, second, the government is diligently seeking new ways to improve the effectiveness of DREE.

REASON FOR ABSENCE OF DEPARTMENT'S PLANS FROM SPEECH FROM THRONE

**Mr. David MacDonald (Egmont):** A final supplementary question. Mr. Speaker, some of this equals Saul's experience on the road to Damascus. Can the Deputy Prime Minister tell the House why there was no indication in the Speech from the Throne a few weeks ago of any initiatives within this department and, secondly, why the Minister of Regional Economic

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Expansion for the last two years has been prevented from making major amendments to the most important legislation emanating from that department, the Regional Development Incentives Act?

**Hon. Allan J. MacEachen (Deputy Prime Minister):** Mr. Speaker, the Speech from the Throne has never been regarded as a total statement of government policy under any government whether one supported by the hon. member or this government, so he ought not to draw any conclusions from the fact that a particular reference was not made to DREE in the Speech from the Throne.

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[Translation]

HOUSING

INQUIRY AS TO MEASURES TO MAKE MORE RENTAL ACCOMMODATION AVAILABLE IN HULL REGION

**Mr. Gaston Isabelle (Hull):** Mr. Speaker, my question is directed to the Minister of State for Urban Affairs. In view of the minister's answers to my valiant colleague from Gatineau at the Standing Committee on Health, Welfare and Social Affairs as well as weekend reports published in some newspapers to the effect that the agreement concluded between the federal government and the Quebec government to subsidize housing would not apply to the Hull area, could the minister say what the Canadian government can do or intends to do to help solve the problem due to the scarcity of public housing in the Hull area and thus reduce the long waiting list of 1,600 individuals among the poorer in our community?

**Hon. André Ouellet (Minister of State for Urban Affairs):** Mr. Speaker, it is obviously a very acute problem to which the Canadian government can provide two kinds of solutions. On one hand, we have just signed an agreement under the National Housing Act and the Quebec government would only have to designate some vacant dwellings in Hull for the purposes of public housing. On the other hand, if the Quebec government rejects that alternative, we could always sell it some property, some apartment buildings and I am referring to the Jardins Mont-Bleu which could be sold by the Canadian government to the Quebec government. Indeed, we could finance 90 per cent of such a sale, so that those dwellings could be used by low income families or students who could live in that area near the Quebec University in Hull.