

this country. It is true that it employs substantial numbers of people, but in relation to its worldwide operations, both its investment and its employment are very slight compared to the operations in countries as spread around the world as Argentina, West Germany, the United States, and so on.

I know that the Minister of Industry, Trade and Commerce has been approached. He may very well be approached by the Canadian Imperial Bank of Commerce which has a trifling loan that they are worried about of some \$400 million in Canadian dollars. I do not know what their plans are, but I would be very upset, and I am sure many members would be upset, if large amounts of money, \$100 million for example, were allocated to Massey-Ferguson, unless there were some pretty stringent guarantees that this money would not be allowed to go out of Canada to settle some of the debts that this company has incurred in other parts of the world, unless there were some guarantee of jobs, and unless the Argus Corporation, and other sources of money that Massey-Ferguson has, make a substantial contribution as well.

This is very interesting, when one looks at the incompetence and the anomalies in this government. I do not want to stray too far from the subject of the bill, but I do want to make one side comment because it relates to another contradiction in policy. I had hoped to raise it in the question period today, but I will just put it on the record because I think it is rather funny that when we are talking about economic development we are talking about energy conservation, and there is nothing that is as dear to the heart of the government, ostensibly, as energy conservation. Yet I find that as of April 1 there is a conditions of permit document, as it is called, at Toronto international airport. I do not know whether or not the Minister of Transport (Mr. P  pin) knows about it—I doubt it—but just for his information and that of his colleague, the Minister of Energy, Mines and Resources (Mr. Lalonde), “who work so hard” to conserve energy, let me say that it is a fact, so I am informed, that the limousine service to the Toronto International Airport, by the conditions of the permit as of April 1, are restricted to using Lincolns, Cadillacs, and Chrysler New Yorkers. Anybody who had a more energy-efficient car by definition, such as a diesel equipped automobile, just cannot operate.

An hon. Member: A Mercedes Benz.

Mr. MacKay: I should say to my colleague that Mercedes Benz is being discriminated against, I am sorry to say.

But I would like to point out, at this stage how contradictory government policies are, and ask the Minister of Energy, Mines and Resources to check with his colleague, the Minister of Transport, to see whether it is now official government policy across Canada that, in an attempt to promote energy efficiency, they are restricting limousine services to those operators who can afford Cadillacs, Lincolns and Chrysler New Yorkers.

I want to speak for a moment, in talking about economic development, on the anomaly of the federal government’s transfer payments. One would assume that a government

committed to regional development would gradually increase the transfer of payments to provincial governments in a region such as the Atlantic region at a rate beyond that provided to provinces with fewer economic problems. In this period of extremely high regional unemployment, it would be necessary to do this to allow all provincial governments to maintain their level of services and to allow regional economies to make a greater contribution to the national economy. Unfortunately, this did not happen.

The portion of federal transfer payments to provincial governments in the Atlantic region remained static between 1970 and 1978. In 1970 the Atlantic region’s provincial governments received \$605 million, or 18.3 per cent of all transfers to provinces. If the unemployment rate is used as an indicator of economic well-being, in 1970 the region was only performing at slightly less than the national average, that is to say, at 6.2 per cent unemployment as opposed to 5.7 per cent. By 1978 the region had clearly fallen behind the nation. It had a 12.5 per cent unemployment rate as opposed to 8.3 per cent nationally, and yet during this period the transfer payments to the region stands at \$2 billion or 19 per cent of all federal transfers to provincial governments, compared to 18 per cent in 1970—not much of a selective effort or targeting, to use a current word that is quite popular.

The transfers to provincial governments can also be analysed in terms of their net growth over the 1970 level, and this makes a very interesting analysis. Once again, the growth of transfers to the Atlantic region as compared to the Nation as a whole is less than dramatic. Newfoundland provides perhaps the best example of lopsided growth in transfers of payments to provincial governments. In 1970 Newfoundland received \$194 million in transfers. In 1978 the provincial government was receiving \$579 million, quite a healthy increase, it would seem. This represented a growth of 298 per cent. But during the same period, transfers of payments to the government of Alberta increased by 269 per cent to \$627 million. Thus the growth of transfers to Alberta, the richest province, paralleled those of Newfoundland, of course.

Over the last period of the Prime Minister’s (Mr. Trudeau) administration, the economy of the Atlantic region became, according to the Atlantic Development Council “more dependent upon federal transfer payments”. Dr. T. J. Courchene of the University of Western Ontario, stated before the Senate National Finance Committee in November, 1978:

—their—

the Atlantic region’s

—relative position has deteriorated vis-  -vis the ‘have’ regions to the point where several of the provinces are in danger of being reduced to the level of ‘dependencies’ of the federal government.

The dependence of gross regional expenditure on total federal transfer of payments to the Atlantic region has increased from 20 per cent in 1970 to nearly 30 per cent in 1978. The growth in comparative dependence for the rest of Canada was from 8 per cent to 10 per cent.

So, Mr. Speaker, I put these on the record only to show that, in my humble opinion, the Minister of Regional Economic