

*Cost of Living*

the Privy Council, to keep this government in power. It must be a heavy load on his conscience if it is true, particularly for a minister from Nova Scotia because we in Nova Scotia pride ourselves on our clear consciences; that is why so few Nova Scotians voted for this government.

In any event, the Prime Minister's tribute was very interesting. If he has really kept his leaky ship of state afloat, it certainly relates directly to the priorities of this government and it shows that his priorities are indeed terribly mixed up so far as the welfare of Canada is concerned. Rather than dealing with the really pressing issues that beset this nation and formulating a prices and incomes policy to combat inflation, to deal with fiscal and monetary reform, regional development or federal-provincial relations, this government is obviously only preoccupied with its own survival. So I plead with the Prime Minister and with the Minister of Regional Economic Expansion to formulate some constructive policies, and to act instead of always reacting. Sometimes it is just as difficult to get something constructive past this government as it is to sneak sunrise past a rooster, as they say.

The Minister of Finance said this afternoon that this was a mobile economy—I hope I am quoting him correctly—and the government has to be flexible to deal with it. It is one thing to be flexible; it is another thing to be loose and aimless—and this government has been about as loose and aimless as it is possible for any government to be. The fantastic breakthrough with the United States that the Prime Minister spoke about some months ago has hardly materialized. The war on inflation which he said was won, judging by the latest figures has not even been slowed down. As the hon. member for Annapolis Valley (Mr. Nowlan) said, if we have turned the corner on inflation then it looks as though the government has gone around the bend after turning the corner. The Prime Minister's assessment of our economic problems fully justifies the regard in which he is held by those who understand the realities of economics—a big, fat zero.

● (2150)

What is really the government's policy on regional development is hard to discover. We know the policy is multifaceted; the minister has told us this. We know it is multidimensional; he has said so. We know it is decentralization. But the important thing is: does it work? It appears that that is open to question. Many people say it does not work. The minister of development for the province of Nova Scotia said it does not work, and he resigned from his post. He was development minister for a Liberal administration in a needy province.

An interesting statement was recently made by a prominent adviser to the Liberal Party, Cam. F. Osler, who is the son of E. B. Osler, a former Liberal member of this House, in a position paper entitled "A New National Development Policy for Canada," presented to the Liberal Conference on Western Objectives, commonly referred to now as the Liberals' western wake. This new national development policy for Canada presented by this man, who is an economic consultant with Headland Menzies in Winnipeg, who has a Master of Economics Degree from Simon Fraser University and who has a solid affiliation with the government party, says on page 13:

[Mr. MacKay.]

This paper has emphasized the need for a new national development policy.

What has happened to the current multifaceted, multidimensional, high-powered decentralization policy which was supposed to be the greatest thing since subsidies to solve this country's regional development problems, if already we need a new one before the current one is implemented? According to the press, personnel who are supposed to be decentralized and moved out to the disadvantaged areas are refusing to go. What chaos!

In closing, Mr. Speaker, may I say that the government in all decency should remember that people in the slow growth areas of Canada do not have the savings and the resources, on average, that many Canadians have. Their wages are lower and their savings are less. Their positions are being eroded further and faster by runaway inflation and high unemployment.

In fact, despite the high-flown statements of the Minister of National Health and Welfare (Mr. Lalonde) about his pension improvements, which we of course support, the people of Canada have less purchasing power for their dollar than ten years ago, and we have seen that pension increases have not even kept pace with inflation, which presently is four times what it was during the previous Conservative administration.

The government should raise wages of employees under federal jurisdiction. It should promote the fishing industry, not sabotage it, and eliminate discrimination against fishermen regarding UIC. It should attempt to receive advice and to listen to people in the private sector, to organizations that have constructive suggestions to make, the ADC, the Atlantic Provinces Economic Development Council, the Northern Ontario Development Corporation, and so on.

The government should bring in regional banking policies to take into greater account special needs of slow growth areas for credit. It should act now to provide a domestic funding agency to counter the possible effects, particularly on the Atlantic region, of legislation to deal with foreign investment, namely, Bill C-132.

We in the Atlantic region are conscious that in the national interest it is a good idea to control foreign take-overs and foreign domination of our economy. But we are also mindful that we do not want it done solely at our expense. The minister in charge of the Department of Regional Economic Expansion is very well aware of this potential problem. He recognizes the need for some domestic funding agency, perhaps a Canadian equivalent of the Export Development Corporation, to provide the funds which may be cut off if such measures are adopted, funds which are essential for regional development. As I say, the minister is aware of this problem, and of the apprehension of governments in the Atlantic region.

Most of all, until it has the courage to go to the people with its coalition partners on the extreme left, the government should try to overcome its built-in obsolescence and incompetence. These qualities, together with its association with the NDP, are fast leading it down the road to oblivion. But for the brief period that this administration has left, I suggest it make every effort to cease fouling-up the stewardship that the people of Canada so reluctantly gave it to manage the affairs of the nation.