

*Government Organization Act, 1983*

Department. What I think it means, Mr. Speaker, is that what the Bill will do, in fact, is make Industry, Trade and Commerce a major Government Department responsible for all of the internal business dealings in Canada, to put it broadly, whether large or small business, and the Department of External Affairs will deal with foreign trade as well as foreign matters of state that do not concern trade. I will point out later some of the problems that this will create, but in terms of regional development, what does this Bill mean?

We all want regional development in Canada. At least those of us from the West do. The Hon. Member who last spoke put it very well when he spoke about the need for having development in the smaller towns of Canada and the need to move away from central Canada and get some industrial development in other parts of Canada. In a long and narrow country like Canada, that need has been a consistent problem.

As I understand it, the way this Bill works is that DREE as a Department will be gone and Industry, Trade and Commerce will have project directors in each Province who will assess the regions and the projects and will report to a group in Ottawa called MSERD. It sounds a bit absurd, but it means the Ministry of State for Economic and Regional Development, or MSERD, as only those in Ottawa can say. The idea is that this will plug the regions into a high level of Cabinet and the employment Minister, I think, will then go directly to the central inner Cabinet with these regional concerns. Now that sounds good on paper. That sounds like the way regional development should be created, but there are some concerns. I found out about these concerns specifically last weekend when the NDP caucus held its retreat in Nova Scotia. The concerns were that if the Department of Regional Economic Expansion were abolished—a department created specifically to meet regional needs—and regional Development was put into the larger Department of Industry, Trade and Commerce, perhaps some of the principles of regional concern will be forgotten. Perhaps they will not receive as high a priority as if there were a separate Department. That is what Alexa McDonough, the Leader of the NDP in Nova Scotia and other people there, told us. I have heard Members of the House say that in pretty well the same language, today.

● (1620)

The Department of Industry, Trade and Commerce is going to favour the big guy. It will favour the big corporations that it is dealing with and will forget about the little guy who more often than not is involved in regional development and the creation of jobs in the region.

That is why we are concerned and very suspicious about this reorganization, Mr. Speaker. We are suspicious also that the Liberal Party may try to channel more money into, and put more emphasis on, one specific part of Ontario, namely southern Ontario, in order to pick up votes for the election that is coming. It seems that the election, the Government, turns on which Party wins those particular seats.

In sum, the Committee will have to look at whether this kind of scheme, which looks all right on paper, will really work to serve the regional interests.

There is a problem when foreign trade is combined with the Department of External Affairs. If I may paraphrase Lord Durham, we have two great Departments, one looking after affairs of state and the other looking after foreign trade, now in the bosom of one, the Department of External Affairs. It seems to me that this gives rise to conflict very much in the way that the Department of Indian Affairs and Northern Development gives rise to conflict. As an example, take the Korean airliner which has been shot down and the problem that that creates with the Soviet Union; one part of the Department must deal with this problem while the other part of the Department must deal with the grain trade and trade in manufactured goods with the Soviet Union. In this way a conflict is built in. When the Bill goes to Committee it will have to look into that aspect.

[*Translation*]

Mr. Speaker, there are problems connected with Bill C-152, and we will have to discuss them in Committee. I also think we need an industrial strategy for all the different sectors in this vast country of ours.

[*English*]

It seems to me that industrial strategy goes far beyond a Bill like this. It involves an assessment of our strengths in every region, getting development money into the regions, and making a plan. We must make the plan or the private companies, the big multinationals, will plan it for us in the interests of their shareholders. We must make a regional plan on behalf of the whole country. We cannot write off the Government, as the Conservative Party suggests with its new Reaganomics. That is not in the Canadian tradition nor is it in the Conservative tradition if they look at that, but as far as I can see that is what they propose to do.

What we have to do is to take the combination of private and public interests with the small business in the regions. The Government must take over one of the Canadian banks in order to direct capital to job creation and to small businesses in the regions. At the present time bank loans are going to the Domes and to the Nelson Skalbanias of this world. Money is not going to small business in the regions. That is the kind of new policy that the NDP would look for. This is the way to create jobs in Canada.

This Bill is just a tinkering with the existing system which is not working and is not creating jobs for Canadians.

**Mr. Deputy Speaker:** Questions and answers are not permitted after the eight hour period of debate. Members are limited now to ten minutes. I recognize the Hon. Member for Ontario (Mr. Fennell).

**Mr. Scott Fennell (Ontario):** Mr. Speaker, I should like to thank the Hon. Member for Vancouver-Kingsway (Mr. Waddell) for showing up in the riding of Mission-Port Moody. He obviously assisted us greatly in winning that seat.