

*Government Organization Act, 1983*

that Party saying it will reinstitute the Department of Regional Economic Expansion? Is the Hon. Member saying that a Conservative Government would reinstitute general development agreements?

**Mr. Howie:** Mr. Speaker, I should like to thank the Hon. Member for his kind comments. Policy is an ongoing, developmental process within this Party. The last words spoken on this matter were spoken by our former Leader in Halifax, Nova Scotia, I believe, when he said that the Party's position was that the Department of Regional Economic Expansion would be reinstated. It is difficult to foresee the future but I anticipate that carries with it the general development agreements and matters of that nature.

There is a very real position in development for grants, contributions, loans, guarantees, loan guarantees and tax incentives. I have spoken twice in the House on tax incentives for expenditures for capital and for labour. I think that programs of this nature are extremely important.

Another attractive program that I would mention is the DISC program that operates in the United States. That would be an interesting program for us to consider. It is essentially a free trading area for our great ports along the Atlantic and Pacific seaboard that would enable us to operate assembly plants, to import, without tariff charge, goods made by developing nations of the world and to include Canadian technology and Canadian content in order to help regain some of the world markets we have lost in the last few years. Development of this type of port in the Atlantic Provinces, for example, would be a great incentive to our export trade and would enable us to put more Canadians to work in those Provinces.

I think the jobs would be permanent and that they would expand as our Canadian technology continues to grow. In some areas this is the best in the world.

I appreciate the contribution made by the Hon. Member and I thank him for it.

**Mr. Deputy Speaker:** A short supplementary question by the Hon. Member for Churchill.

**Mr. Murphy:** Yes, I have a very short supplementary question, Mr. Speaker. The Hon. Member spoke about the position his former Leader took when he spoke in Halifax. I wonder if the new Member of the House, the Hon. Member for Central Nova (Mr. Mulroney), spoke about DREE and the general development agreements during the recent by-election and, if so, what he said?

**Mr. Deputy Speaker:** That is hardly a short supplementary. Does the Hon. Member for York-Sunbury (Mr. Howie) care to comment?

**Mr. Howie:** I think that I essentially answered the Hon. Member's question when I spoke before. I cannot recall everything that was said during the by-election in Central Nova. As a matter of fact, the by-election was not very well reported in my area of New Brunswick. I read the papers and saw that

some 11 Cabinet Ministers went down to help elect a Conservative as the Hon. Member for Central Nova. They were very successful.

**Mr. Breau:** Mr. Speaker, I wonder if the Hon. Member could clarify something. In answer to the Hon. Member for Churchill (Mr. Murphy), I thought he inferred that under this Bill the reorganization would do away with general development agreements. Did I understand him clearly to interpret the reorganization as suggesting that no more general development agreements would be signed? Is that his position?

● (1250)

**Mr. Howie:** The Hon. Member for Gloucester (Mr. Breau) has correctly interpreted my interpretation of the Bill. I raised the matter with the Minister at the MSERD committee. The Minister indicated he had a schedule to develop new framework agreements, the nature of which he was not able to explain to me, which will replace the general development agreements. The general development agreements have for the most part lapsed. All of the subsidiary agreements in New Brunswick have now lapsed.

During the recent debate on the budget legislation the Premiers indicated they had great difficulty developing a new agreement with the Minister. Being a senior member in the Government department and very responsive to the needs of New Brunswick I hope the Hon. Member will join with me in urging the Minister responsible for economic and regional development to proceed with all due haste to try to put in place some new development agreements to replace the ones which have lapsed in New Brunswick.

**Mr. Breau:** Mr. Speaker, I did not ask the Hon. Member what he had or had not talked about with a Minister. Could he show me in this Bill where he sees any change in the statutory position of general development agreements? Could he show me in this Bill where there is anything said which would change the status legally or otherwise of general development agreements?

Further, Mr. Speaker, I hope the Hon. Member will correct the misinformation which he just gave us, I am sure unintentionally, that all of the subsidiary agreements under the GDA in New Brunswick had lapsed. There is at least one agreement which has not lapsed and which is continuing. There are negotiations on at least three others which are still going on. There has been no decision by anyone, to my knowledge, and I follow this very closely, that there will not be a new general development agreement signed for New Brunswick.

**Mr. Howie:** Mr. Speaker, I find it difficult to follow the Hon. Member's question, but I will try to clarify my remarks for him. This Bill abolishes the Department of Regional Economic Expansion, which has been the only Department of Government dedicated to the development of regions in the country which suffer from problems related to disparity. Second, it buries the Department and splits it in two. The operative part of the Department now goes to DRIE and the part which dealt with general development agreements, the