

Mr. Marchand (Langelier): Perhaps they had no money! They only had to raise taxes!

Mr. Latulippe: But they had no money!

Mr. Marchand (Langelier): They only had to raise taxes. Anyway, that is what happened.

In 1927 perhaps Mr. Taschereau might have raised taxes and granted old age security pensions. But there was a problem: Quebec did not want to be the only province paying those pensions since it would have been placed in a situation of economic inferiority.

When a problem arises we try to reconcile jurisdictions and reach an agreement on many issues. Obviously disagreements will arise. And of course each time this happens the doom and gloom prophets start spreading the word that the country is about to fall apart and that Ottawa is arrogant. What I say is true because it is published everywhere.

Who is mentioning the 45 agreements we have negotiated with the provinces and which are operating perfectly well? Who mentions them? I never heard the social credit members voice their approval. They do not mention them at all but they say: You are doing nothing since there is no money for the provinces.

I will quote a few examples. First, we have negotiated special agreements which provided the provinces with \$108 million in 1970-71; \$85 million in 1971-72 and \$120 million in 1972-73.

We also entered into agreements concerning road and highway construction, for which we gave four grants of \$14 million, \$31 million, \$36 million, and \$37 million respectively. Under the FRED agreement, we granted \$22 million, \$36 million, \$54 million, and \$67 million. Under the ARDA program, we granted \$25 million, \$20 million, \$16 million, and \$39 million successively. The total of grants made, which was \$63 million in 1969-70, rose to \$264 million, and the department for which I am responsible, which had a budget of some \$100 million only four years ago, will soon have one of \$500 million.

This may not be enough, but let not people come and say that nothing is done, that the federal government is not concerned with the problems of underdeveloped areas. Maybe we should do more, and ask the wealthier provinces for more, but let nobody say that no serious effort is made, everyday, in order to try and ensure a better balance in this country's economy.

• (1740)

Now, Mr. Speaker, I would also like people to learn the meaning of words. When people talk about eliminating regional disparities, this is a bit of an exaggeration, as the objective has never been to eliminate them, but rather to lessen them so that life may be tolerable in all areas of Canada.

Some people may prefer to live in Prince Edward Island, in Newfoundland, or in Nova Scotia, at the Strait of Canso, rather than live in Montreal or Toronto. This is feasible, provided those people have enough to live there, and the Department of Regional Economic Expansion certainly does not aim at having people in the Strait of Canso or in Newfoundland earn as much as people in

Federal-Provincial Relations

Toronto. We know this would be neither logical nor feasible. But we want those people, if they decide to live in Prince Edward Island, in Newfoundland, in Nova Scotia, or in New Brunswick, to be able to earn a decent living.

There will always be disparities. Why do people come and say to us: You said you would eliminate disparities but there are more now than ever. This is the main criticism levelled at us. I shall reply in this way but where are they? They do not even bother to provide figures. They should get some information and quote, for such and such region, the unemployment rate compared to the average rate in Canada, stating that it has increased. But those who criticize us cannot provide any figures, even though we pay them a certain amount for their research. If they did some research, they could make speeches which are more than just demagogic exploitation.

Certainly there are problems. There are serious problems in the Lac Saint-Jean area, where the sponsor of this motion comes from. This area has been designated as a "special area", in an effort to attract some business to get established there, and I hope that one of these days our efforts will be successful.

An hon. Member: They want to designate the whole country.

Mr. Marchand (Langelier): You see, they talk nonsense. To designate the whole country would of course mean to eliminate everything, for everyone would be on an equal footing, whereas now, a few achievements are still made, even though they are not mentioned very often.

The mayor of St. John's came into my office the other day. He wanted me to go to St. John's because the citizens were so happy about the achievements of my department that they would like to welcome me in their city, and I shall go there. By the way, the hon. member for St. John's East (Mr. McGrath) was there.

Now, the hon. member for Lotbinière,—who is smiling because that is probably the only thing he can do—whose riding is not far from Quebec City, will go and see what has been done there, in Place Royale and about Saint-Charles River. He will go and see our achievements as regards water sewage, and parking problem, as well as in the area of tourism. He will go and see as well what we did in the seminary of Quebec City. Just open your eyes and look, and then you may wonder what you could do in our place.

Mr. Speaker, since I am in the government, I expect to be criticized, to make mistakes, which is normal. And I believe that it is the role of the opposition to indicate the mistakes, the weaknesses, to propose new solutions.

The other day, I read in *Le Droit* the report of an interview given by the hon. Leader of the Official Opposition (Mr. Stanfield). He was speaking about the relations between the provinces and Ottawa. He thought the Prime Minister was much too rigid, much too inflexible and said: Naturally, there are things which will need to be arranged. It is necessary for us to get together. Obviously everything cannot be given up. But on the whole, I would wish there would be a compromise.

You read that and say: What has he proposed? Nothing at all. He simply said that the Prime Minister was inflex-