

*The Address—Mr. MacKay*

Perhaps there is merit, as I said before, in some of the allegations made by the leader of the NDP. However, as usual, he goes too far, overstates his basic position and minimizes the very real and essential contributions made to the Canadian economy by large corporations. He is certainly remiss in his thinking if he feels that he or his party have a monopoly on concern for the welfare of small Canadian businesses, farms or, indeed, average Canadians.

We need more information about DREE. One would like to know which provincial and federal policies have been successful, which have failed, why, and what lessons can be drawn from different plans, procedures and administrative arrangements. Evaluation in recorded form seems to be one of the most neglected aspects of government policy. There are enough bodies working in DREE to do this in an exhaustive way.

I feel that the Regional Development Incentives Act must be amended, specifically section 16 which allows the minister and the government to refrain from submitting a monthly report when parliament is not sitting. How ridiculous, Sir! Hundreds of millions of dollars have been spent, and there has been no report since last spring. These moneys are actually trust funds and the Canadian people are entitled to an accounting. They are also entitled to better administration. A more efficient advisory board must be constituted so that DREE grants can be better evaluated.

• (1750)

There must be a better way to run DREE. There is little point in locking the stable door once the horse is stolen, complaining of the many instances where DREE grants have been misused, about companies that have gone bankrupt and citing other failures of the program when in my opinion it is more constructive to have a better advisory board and to find a more efficient way of placing surveillance on the granting of funds and on expediting the disposal of grants, thus eliminating the sorry spectacle of companies depending on DREE funds that they thought were committed, only to find that they were not committed after all.

This department officially came into existence on April Fools' Day, 1969, according to my information. Since then those who have been affected by it must at times have felt that this date was indeed significant. In some instances, instead of being called the Department of Regional Economic Expansion it could have been better referred to, as the "department of ridiculous economic expectations". However, it remains, in our opinion, basically a good program and, like the legendary bird of Greek mythology, the Phoenix, I hope it can regenerate itself and go on refurbished, revitalized and regenerated under its new minister.

The concept of DREE, and indeed our national policy in economic development, has been shaken to some extent by recent developments, one of which affects my constituency. The United States treasury authorities have recently seen fit to impose countervailing duties on Michelin Tires manufactured in Nova Scotia. This is a very unfortunate and worrisome precedent since, as far as I am aware, it is the first time this type of action has been taken

[Mr. MacKay.]

against Canada. It has been invoked against other nations but never against us. At the same time, a duty has been levied against some of our pulp and paper companies, two of which are Domtar and the Eddy Company of Pembroke. The two firms I mention, as well as Michelin, are in receipt of assistance from DREE. The Michelin countervailing duty could have direct and international implications so far as our regional development plans are concerned.

The Minister of Industry, Trade and Commerce (Mr. Gillespie) plays this down, and the minister in charge of DREE says that he hopes the Michelin case is an isolated instance. It is only natural that the ministers would say that because, after all, it was under their inept stewardship that this precedent was set. I charge the government with not placing sufficient priority on ongoing and high-level negotiations with the United States, and as a result we are now faced with a very unfortunate precedent. I trust that there will be continuing high-level negotiations with the United States in an effort to get the United States to rescind their course of action, at least until we have some far reaching, multilateral trade negotiations.

In closing, may I make a submission to the minister. I trust that he and the minister responsible for Devco will immediately explore the contentions of so many members, notably the hon. member for Cape Breton-East Richmond (Mr. MacInnis), to the effect that all appropriate provisions of the legislation setting up this unique Crown corporation have not yet been implemented to the benefit of unemployed miners and their dependants. It is my contention that these miners and their dependants are not treated equitably in accordance with the real intent of the legislation. Neither are the approximately 200 miners on the mainland now in receipt of less than the Devco miners, though many of them were part of the same operation.

Lastly, I would ask the minister in charge of regional economic expansion, along with his counterpart, the Nova Scotia minister of development, to take every possible action to benefit a very neglected area of Nova Scotia, the region known as the eastern shore. There is a great need for some initiative to be taken and for some form of development assistance. As I said on another occasion, I am looking forward to a constructive association with the minister in charge of regional economic expansion in exploring and suggesting ways to expedite in a co-operative fashion the operations of his department, which has such potential to attack the all too obvious economic problems that are facing the nation.

Finally, I trust that the Prime Minister will put aside his paranoiac preoccupations with the last campaign and stop brooding about why his "philosopher king approach" failed with the Canadian public. Then he, too, will attempt to do something constructive to attack all this nation's problems.