

The Address—Mr. David MacDonald

other. One of the rather saddening facts is even with pulling these together, we still see a major amount of economic and social activity engaged in by the government in other departments. This works in opposition to and undermines the important work being attempted by the Department of Regional Economic Expansion.

When we consider the present activities of the department and its move toward decentralization, we are faced with some difficult questions. Some of these questions have already been publicized by some of the smaller and poorer provinces. They are, in effect, asking what decentralization is going to mean. Is it going to mean another level of administration and bureaucracy which a provincial government will have to deal with before eventually coming to terms with the decision-makers in Ottawa? The minister and some of his officials have assured us that this is not to be the case. However, the process of decentralization is taking a much longer time to be implemented than originally forecast, and it is still difficult to predict.

The kind of complexities that will exist with regard to both regional and provincial offices have not yet been fully clarified. In spite of the fact we were told last year that general development agreements would be signed by all provinces with the exception of Prince Edward Island before the end of the year, to my knowledge only three have been signed to this point in time.

What, then, are we to expect from this process of decentralization? Is there going to be an equivalent decentralization of policy decision-making? Is there going to be an effective integration of this decision-making with provincial or regional groups? How is the policy with regard to the various grant or development programs to be developed in this regard? Surprisingly for such a major departure, we have been told publicly very little about that is to be involved and how it is to work in actual practice.

One of the more disquieting aspects is that one wonders how effective it can be in terms of co-ordination of provincial DREE activity with certain key agencies that do not exist on a decentralized basis except for some aspects of administration. Whether you are considering Public Works, CMHC, National Defence, Supply and Services or a host or others, no clear picture has yet developed as to how there is to be any effective relationship.

We know that this year the Department of Regional Economic Expansion will administer over \$500 million. In addition, we know that \$20 billion, 40 times that amount, will be administered on a general basis by the government of Canada. It is one thing to spend so many millions of dollars for specific developmental projects within a province or region; it is quite another to forecast the expenditure of hundreds of millions, or billions of dollars which may be totally unrelated to the specific functions taking place under regional development policies.

Unless some clear picture is given by the minister as to how this decentralized department will relate to all other departments of the federal government, let alone the provincial agencies, we may enter into an even more chaotic and, I shudder to suggest it, even more demoralizing period with regard to federal department regional development activity. However, my main concern this evening is not with regard to what is currently taking place in terms of decentralization; I am much more anx-

ious to discuss the approach of regional development within the national concept of how we are developing Canada as a whole.

As any good businessman, or indeed anyone who sets out to do a job, will tell you, before one begins any task three things must be nailed down. First, a goal has to be attempted. The second is the framework or guidelines within which the goal will be accomplished. Third is the strategy, or the steps to accomplish the goal. Here I come to what continues to be my fundamental criticism of the government's present involvement and commitment to regional development activity.

The major weakness of the Department of Regional Economic Expansion as established by this government is that it has not asked itself or the Canadian people, putting it in a way in which the provinces and the various people can respond: where do we want to go; how do we want to get there; what will be the framework for this operation? I am reminded of the old song to the effect that if you don't know where you are going, you are generally bound to end up somewhere else.

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I suggest, therefore, that in formulating policies which will respond actively and creatively to regional disparities, the following must be kept in mind. We must start out, in my estimation, with the elaboration of a goal that is generally accepted. One of the proposals that has been placed in the public domain today by our party is the suggestion that there be, in the first instance, national consultation on economic and social priorities.

I do not believe, Mr. Speaker, that it is possible to establish any kind of short-term or long-term goals in regional economic development unless we are able, in the first instance, to relate these to the national goal. I think one of the reasons that the government has actively lowered its profile in regional development is the resistance that was beginning to develop or, if you like to use a stronger word, the resentment that has occurred in the high-growth areas over what it was costing to implement regional development policies.

It seems to me that if we are to move beyond our present situation, if we are to make the necessary decisions which will, in effect, close the income gap, the unemployment gap, or any kind of descriptive term you wish to use to describe the have-not or altogether too economically and socially depressed areas, then we must have some kind of national consensus. I think far too often programs have been put on the table on a kind of "take it or leave it" basis to the provinces, suggesting that if they are not prepared to respond in some fashion or other to what has been placed before them, then the provinces can go and peddle their papers elsewhere.

I believe that if we are to have an effective policy of regional development in this country, there has to be some national consensus as to what our short-term and long-term goals are. I do not think this can be achieved unless there is some kind of public consultation. I am not thinking here of some kind of one-shot affair where the provinces and the federal government sit down for a couple of days at the national conference centre under the glare of television lights and in full public view to confront each

[Mr. MacDonald (Egmont).]