

• (1740)

At this point I want to stress that I agree with the recent announcement by the minister concerning decentralization. Our party has consistently advocated this since the inception of DREE. I agree with the Prime Minister when he stated, as he did in western Canada before going to England, that it makes him sad to see DREE used as a divisive issue by people making comparisons between one area and another. Some of us, perhaps, have done this not out of malice but as representatives of our constituencies, fighting for what we hoped was a fair share for our own areas. However, the Prime Minister, in his usual obtuse style, in the next breath proceeded to make comparisons. He compared Quebec with Nova Scotia, to show that Nova Scotia receives more per capita. As usual, he was saying one thing and proceeding to do another.

The feeling of our party is that these grants should be accorded on the basis of economic feasibility and need. Perhaps DREE should be used as an instrument of industrial development and as a social welfare program as well. But it has been badly mismanaged. The statistics and results generally relating to its policies have been hard to evaluate simply because the government has not made them available.

In a recent column, Charles Lynch dwelt at length on the type of information that the Prime Minister and government officials were releasing concerning DREE programs and the comparisons the Prime Minister was making in the areas that I have described. Charles Lynch wrote:

My own impression was that Quebec got the most because it needed the most.

Is it really true, as Trudeau says, that half of all DREE's outflow has gone to the maritimes and that "Quebec only comes later, ahead of some western provinces and behind some others"? Ahead of what western provinces, and behind what others?

Statistics can be made to prove anything, and Trudeau must have been working from a specially concocted set that we have been unable to get DREE to cough up. We're still trying, but it's easier to get a grant from DREE than to get province-by-province comparative figures on per capita grants and total DREE expenditures to back up the Prime Minister's claim.

I agree with Charles Lynch and I hope that comparisons between regions will only be made from the point of view of statistical information and not to establish innuendos or excite paranoiacs who seek to read into those comparisons anything but normal competitiveness as between recipient areas.

One of the commitments made by our party in the recent election campaign was that of decentralizing DREE. I am interested to see that now the government concurs in this, as it concurs, indeed, in many other areas of our policy. Interesting statistics indicating the degree of centralization in DREE and DREE-related agencies show as follows. There are approximately 1,700 employees, as near as I can discover, working in DREE and allied agencies, and 730 of those individuals apparently are centralized in Ottawa.

In Newfoundland, where there are more special areas than in any other part of Canada, there are 15 employees. There are seven in Prince Edward Island, which incidentally is a related area in the sense that the province is totally designated under the so-called FRED program, the

The Address—Mr. MacKay

fund for rural economic development. There are 14 employees in Nova Scotia, 13 in New Brunswick, 90 in Quebec, 17 in Manitoba, 12 in Saskatchewan, 10 in Alberta and 6 in British Columbia. One wonders what those six lonely souls are doing in British Columbia. Are they doing useful work? Are they setting up some petty bureaucracy which does not need supervising?

Why can we not have a more frank and comprehensive set of DREE statistics published every month whether parliament sits or not? These ought to be published in the same way as unemployment statistics are published. Statistics from DREE would give us the basis for valuable economic analysis with regard to what is going on in our country and would be useful in the compiling of data for the study of our unemployment difficulties.

It is to be hoped that the minister will realize that it is imperative for DREE to be more closely associated with the aims and aspirations of provincial development agencies, that he will examine infrastructure programs and that he will check into funding procedures vis-à-vis federal, provincial and municipal governments. He should move cautiously but, I trust, progressively to explore with the provinces better ways of dealing more directly with the often neglected third level of government, that of civic and municipal administrations, in processing DREE grants and loans. At present, Mr. Speaker, some recipient municipalities must pay service charges of a quarter of one per cent on considerable sums of money. They can ill afford to pay these charges.

There is obviously not enough co-ordination between DREE objectives and the efforts of other federal and provincial development agencies. These bodies often compete and work at cross-purposes. For example, while the former minister responsible for DREE tried earnestly to tackle regional disparities, his friends in the Department of Finance were introducing policies to fight inflation. Those policies increased the gap between the wealthy provinces and those less fortunate. Departments of governments like DREE tend to be hermetically sealed. There is not enough concern about what goes on in other departments; the Department of Industry, Trade and Commerce should have greater input, so should the Department of Transport.

I feel, as do hon. friends to my left in the NDP, that DREE often promotes inequity. I do not go as far as they do in their philosophy, but I do feel that large corporations which have money to expand often take what is available from DREE. However, because of existing marketing organizations, branch plants, economies of scale, capital cost allowances, depreciation provisions, and so on, they are often already in a pretty good competitive position. It is small businesses in the formative stages which often need help to a much greater degree than older businesses which may be a bit shopworn, a bit obsolete but still viable. Those types of businesses may need an economic blood transfusion; perhaps their priorities should be looked at more closely by the new minister. Like the Industrial Development Bank, DREE should be oriented more toward assisting small industries. For example, 80 per cent of IDB loans are for less than \$50,000. I would be interested in seeing statistical information of this type concerning DREE.