

*The Budget*

be put on those very same firms that are engaged in those kinds of practices.

But once again, as the member for Mount Royal pointed out, there was nothing there. It did not even mention the problem. It did not address the fact that economic fiscal tools by the Government of Canada could be used to set a framework, to set rules, and to begin to guide without heavy regulation the choices and decisions in a market-place to get a sustainable environment.

That is the real failure of the budget. There was nothing creative about it. Yet, here is a government that was strong in rhetoric two years ago in Toronto, but when the Minister of Finance has a chance to show how that rhetoric can be turned into practice, what do we find in these pages? Nothing but blanks.

**Mr. Funk:** Madam Speaker, this budget has distressed a lot of western Canadians. I think it fails completely to come to grips with the very real economic collapse happening in the rural communities right across the prairie provinces, as well as in the northern parts of the western provinces.

I was wondering if the member could attempt to sort out for us what the government is trying to do with the flimflam that we see with respect to regional development funding. It has created a mini-monster called the WDO which was supposed to take over the former regional development programs, the ERDA programs. However we see that virtually no money has been spent. Those agreements in Saskatchewan and Manitoba expired last March 31. As far as I can see scarcely \$1 has been spent in the last year. If we look again no dollars are allocated for this year.

Where does the member see the government going? What has happened to regional development funding in western Canada?

**Mr. Axworthy (Winnipeg South Centre):** Madam Speaker, again I appreciate the question from the member for Prince Albert because it is a matter of vital concern in western Canada.

The regional development programs have been eviscerated. The only alternative being offered by this government is the Western Diversification Fund. Under

this budget the Western Diversification Fund has been turned into a lending bank. The opportunity for smaller businesses to get direct grants to start off, to improve, to renovate, or to innovate has been extinguished.

It is okay for companies such as the West Edmonton Mall that want to put up another fancy amusement centre. They have the assets and the capital to go ahead and get the loan from Western Diversification. However to a small business in the Interlake or an engineer who wants to start a new kind of business or whatever the Minister of Finance has just said: "You don't count any more."

I think that is happening. Increasingly we are finding that western Canadians do not count when it comes to this government. They are not in the periscope of the Minister of Finance. The Western Diversification Fund is simply being turned into a pale replica of the Federal Business Development Bank and the Farm Credit Corporation which was simply a way of charging going rates of interest on loans and not giving the kind of stimulus or engaging in major investments in western Canada, in the infrastructure of Canada.

If we talk to any mayor of any municipality in western Canada, there is still the need to repair roads, to repair sewage systems, to deal with soil conservation, to deal with the water problem, and to repair the basic underpinnings of the western economy. There is no money. There is no support. There is no federal participation.

As I said in my earlier remarks that is part of the problem with Canada. The federal government is withdrawing from Canada. It no longer feels that it has responsibilities in the region. It no longer wants to establish a presence across Canada. If we have a government that does not believe in governing any more, that simply believes in leaving it up to the market-place where the market-place does not work or does not fit into the kinds of decisions being made on the Bay Streets, in the big business organizations across North America, then we simply become a forgotten territory and a forgotten people. That is the story of western Canada under this government.

**Mrs. Dobbie:** Madam Speaker, the hon. member paints a very pretty picture. He lives in a lovely dream world. The world he lives in is a very nice place. It is a world where dollars grow on trees, where there is a