

We have not found the permanent answer to the employment problem, the economic problem and the social problem in Cape Breton, to which the Leader of the Opposition referred, but you cannot blame us for trying. The Atlantic Enterprise Program; the Enterprise Cape Breton Program; and the Cape Breton investment tax credit of 60 per cent all reflect the determination of this government to try any reasonable initiative that has some prospect of improving the economic situation in Cape Breton and the Atlantic provinces. Those initiatives make an awful lot more sense to me and, I think, to the taxpayers of the country and of Cape Breton than creating a stockpile of heavy water at a cost of \$104 million a year.

Some Hon. Senators: Hear, hear!

Senator Murray: We have negotiated ERDA sub-agreements worth \$3 billion to build on regional strengths and potentials in agriculture, tourism, fisheries, mining, manufacturing, science and technology and forestry and still, as the Prime Minister has noted during his visit to the Atlantic provinces some weeks ago, we are not making the headway that we should.

The Speech from the Throne tries yet another approach by way of an Atlantic Opportunities Agency to try to decentralize decision-making. It tries to make the machinery of the federal government more sensitive and more responsive to regional priorities.

When he was Minister of Supply and Services, the Honourable Stewart McInnes introduced a program to increase from \$1.6 billion to \$2.2 billion over the next few years the federal government's purchases in the Atlantic provinces. That is a job creation measure. I think we also have to ensure that national policies and programs are sensitive to regional considerations, and it surely did not help to liquidate DREE, which was something which happened under our predecessors. They drowned that in something called DRIE. A long time ago, in the heyday of DREE when Jean Marchand and Tom Kent were running it, it was hoped that DREE might play a role of almost being a central agency to examine and review government programs according to regional development criteria. That never happened. I think there is still a need to make regional development goals central to all our activities in government.

I must say that I was rather disappointed to see the Leader of the Opposition straining as he did to find something to criticize in our foreign policy. He suggested, for example, that the relationship with the United States had lost its top place in our priorities. Well, the relationship with the United States is as it has been—Canada's most important bilateral relationship. It does not have as high a profile today as it did a couple of years ago because, when we inherited it, it was in such a state of disrepair as a result of the actions of our predecessors. The relationship has vastly improved; it has become far more mature.

● (1610)

Senator Sinclair: Shakes and shingles.

Senator Murray: Shakes and shingles and all of the other irritants that my friend may refer to surely point out the need for a comprehensive trade agreement between Canada and the United States. That is what we are trying to work for, and I am glad to have the honourable senator's support for that initiative, along with the support of all of the more constructive and moderate Liberals in the land.

We have our differences with the United States. Canada did not embargo Nicaragua when the Reagan administration did. Canada continues to have a development program in Nicaragua. We did not follow the United States and the United Kingdom out of UNESCO because we prefer to work within that agency to try to bring about the necessary reforms. We declined the United States invitation for a government-to-government participation in SDI research. We are able to take these positions in Canada's national interest without damaging our basic relationship with our biggest trading partner, our best friend and our strongest ally.

Trade negotiations are going ahead. As I have said, there is no lessening at all in our commitment to those trade negotiations. We want the best, the biggest and the most comprehensive trade arrangement that can be negotiated.

The Leader of the Opposition warmed over part of his speech in the debate two years ago and talked about our commitment to foreign aid. In that very debate I was able to show the ups and downs and the peregrinations of the Liberal commitment to foreign aid over the years—saying one thing and doing another, establishing targets and retreating from them.

Senator MacEachen: There was no variation for five solid years.

Senator Murray: I do not have the information in front of me—

Senator MacEachen: Look back from 1980 to 1984.

Senator Murray: —but I commend to the Leader of the Opposition the statistics that I obtained two years ago and put on the record here, and I can do it again, if he likes. But I want to tell him and all honourable senators that over the next five years we have committed \$13.6 billion to foreign aid. That is not peanuts. I suggest to the honourable senator and to all of my colleagues that our foreign aid programs are well received in the countries where they are working, that we have a good record and that Canada is widely praised for its creative and constructive attitude to aid and development throughout the Third World.

My honourable friend wonders about our commitment to the Caribbean. I had the pleasure, a few months before I joined the cabinet, to represent Canada at the annual governors' meeting of the Caribbean Development Bank. We are one of the biggest contributors to the Caribbean Development Bank and our participation in that bank is highly developed, as is our support for the Contadora process and our support for all of the trade and aid development measures that can be brought forward to lift the economy of Latin America. I mention, by the way, that the Secretary of State for External