

Western Economic Diversification Act

create a great deal of acid rain pollution which is affecting both Canada and the United States. Just what role would the Western Diversification Office play in ensuring that diversification includes the use of Canadian coal in Ontario Hydro's production of electricity, a project which would benefit both western and eastern Canada as well as helping to protect the environment because of the high quality of western Canadian coal?

A final example is the question of the flow-through shares. The Minister of Finance (Mr. Wilson) proposed to reduce or eliminate the tax advantages of flow-through shares. He has provoked almost unanimous opposition in all parts of northern Canada, including from people from northern Manitoba, northern Saskatchewan, northern Alberta, and northern British Columbia. The flow-through share scheme has led to an enormous increase in mining exploration and the opening and development of new mines in every part of northern Canada. It has brought unemployment rates down dramatically in certain parts of northern Canada. Will the Western Diversification Office get involved in that? We do not know.

I am reminded of what happens these days when people go to their Conservative Member of Parliament and ask what he or she is doing about jobs in their particular community. The unemployment rate is up to 12 per cent and is not coming down. The jobs, jobs, jobs about which the Prime Minister (Mr. Mulroney) talked all seem to be in the area of Toronto and Brampton, they are not going out to western Canada. The Member of Parliament says: "Boy, am I ever a tiger in the caucus. I'm speaking up for you all the time." He says, "I have talked to the Minister again and again about your problems. The Minister is doing the job in Cabinet, just trust us". The people of Canada have heard that song for the last three and a half years.

The Hon. Member speaks about what happened in Manitoba. I noticed that the power of the Prime Minister in Manitoba, the magnetism of his appeal, and the force of the Conservative Government's policies, had such a buoyant effect on Mr. Filmon and the provincial Conservatives in Manitoba that the number of their seats came down from the last election. My hon. friend from Kamloops—Shuswap (Mr. Riis) will remind me. Did the vote for the Conservatives go up or did it go down in Manitoba?

Mr. Riis: I believe it went down.

Mr. Cassidy: I believe it went down. And did the number of seats for the Conservatives go up or go down?

Mr. Riis: They went down as well.

Mr. Cassidy: The seats for the Conservatives went down as well. There is a real vote of confidence on the power of the Progressive Conservative alternatives in Manitoba. It is very interesting. People there punished a government which was in power for 16 of the last 20 years. They decided that it was time to have a change. That happens and as New Democrats we

respect that. As Premier Pawley and Mr. Doer, the new Leader of the New Democrats in Manitoba indicated, some mistakes were made and I think we have learned a few lessons from that. However, I believe that the Conservatives have to learn some lessons as well.

You cannot create a diversification initiative which is just going to send memos from Edmonton to Ottawa and say that that is all that is being done for western diversification. I want Hon. Members opposite to know just how skeptical people are about this kind of initiative. I had a conversation with some business people this morning and was reminded that three years ago the Government brought together a number of leaders in different areas of the economy for a national economic conference at the highest level. That group included people from the voluntary sector, from universities, from research and development. It included spokespeople from different areas of business, both small and big. It included people from the trade union movement. It included some representatives of women and minority groups. Of course, it included members of Cabinet and the present Government.

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There was some very useful dialogue over the course of two and one-half days, but the Government failed to carry through with that particular initiative. I believe, as a Canadian as well as a New Democrat, that such an initiative would have been useful had it been carried through. Canadians must learn to talk together more effectively about how we can build this country. That means people in western Canada as well as people in Ontario, Quebec or Atlantic Canada.

In Quebec there have been some useful initiatives in bringing together all of the interests involved in different regions or different industries so they may talk and confront common problems. That is an approach that we New Democrats find extremely positive and productive. However, one does not find that approach in the Western Diversification Office.

As I said, while we support this legislation, it is because it is the only game in town. We believe this initiative is flawed and therefore warn people in western Canada not to put all of their trust in this particular measure. We support it because it is the only game in town.

I want to refer to some comments made by the Canadian Federation of Independent Business on the Western Diversification Office. They submitted a very sincere brief to the Minister responsible for the diversification office and indicated the kind of concern the Government's initiative has provoked among people who ought to be friendly to the Government.

They state that the CFIB is among those excited by the prospects of a fund to aid western diversification, provided that it is spent judiciously, using flexible criteria within a clear and consistent policy framework.