

Supply

Mr. Tobin: There is a Liberal Government in New Brunswick, P.E.I., Newfoundland, and there will be one in Nova Scotia.

Mr. MacKay: It just goes to show that unlike the SCRAP Program my friends opposite proposed before the last election and which was a highly politically motivated affair, ACOA is far from that. We in the federal Government want to help Atlantic Canada.

Mr. Tobin: You have more nerve than a toothache.

Mr. MacKay: I can back up those figures. The Hon. Member for Cape Breton Highlands—Canso (Mr. LeBlanc) is a fair man and he knows that \$12 million was spent for a wharf in Mulgrave under the SCRAP program. I was glad to see that happen, but I will say one thing. The scraps were really scraps when it came to many constituencies. I didn't get a dollar in mine. The Canadian people were not too impressed with the SCRAP program because they scrapped the Government that brought it in, so that was not a particularly good initiative for them.

This year there will be over 120,000 business establishments, compared with 85,000 in 1984. In 1984, the gross domestic product in Atlantic Canada, which is a base-line measure of economic output in the region, amounted to \$23.7 billion. This year it will reach \$33.7 billion, a tremendous increase of 50 per cent over five years. There can be no dispute, if one looks at it objectively, that the economy of Atlantic Canada is strong and growing stronger under the policies of this Government.

Mr. Tobin: When did you last go home?

Mr. MacKay: Atlantic Canadians can be assured, as stated clearly in the Speech from the Throne and as confirmed in the Budget, that this Government is firmly committed to supporting regional development.

Federal spending in regional development in Atlantic Canada this year, as my colleagues know, will reach a record level of \$500 million. Over the next five years, spending will remain at record high levels, averaging \$425 million per year. For purposes of comparison, federal expenditures on regional development in Atlantic Canada during the past five years were \$282 million per year. These are facts. Clearly, this Government is committed to a very healthy expenditure plan as an integral part of a purposeful approach to regional development.

Ms. Clancy: Welfare will go through the roof.

Mr. MacKay: Nevertheless, as previous Governments have discovered, throwing money alone at problems is not enough. It seldom achieved the right solutions and this is certainly the real challenge of ACOA today in developing the Atlantic economy to its maximum. That is why this Government has taken the extraordinary step of establishing a new agency dedicated solely to Atlantic Canada.

After listening carefully to the views of Atlantic Canadians, the Prime Minister (Mr. Mulroney), in June of 1987 announced the creation of the Atlantic Canada Opportunities Agency. He announced it in St. John's, Newfoundland, a very appropriate place. This is not a traditional department of government. It is a bold, innovative and new approach which more closely resembles a private sector model. The agency is located in Atlantic Canada, not in Ottawa. The president, and through him the Minister, is guided by a private sector advisory board. The agency's programs and policies are conceived and delivered in Atlantic Canada by Atlantic Canadians. This is a far cry from the centralist approach that characterized regional economic development in the past.

For the first time, the people of Atlantic Canada have the opportunity to choose their own course and to shape their own destiny. The agency has been given a full mandate and it has appropriate powers to develop it. The legislation which created ACOA, to which my hon. colleagues across the aisle objected, provided the agency with four broad powers. The action plan includes the ability to create programs of direct assistance to organizations, advocacy, which gives capacity to promote the interests of Atlantic Canada in national policies and programs, co-operation, which is the right to make agreements with provinces for joint action and co-ordination, and the responsibility to co-ordinate all federal programs having an impact on regional development in Atlantic Canada.

The most visible of ACOA's roles is the action program. Through this very successful vehicle, almost every Atlantic business and the institutions supporting them know about ACOA. Through the action program this agency has committed more than half a billion dollars to solid economic development projects. This program has been a tremendous success since its introduction in February, 1988, and its acceptance by Atlantic entrepreneurs has been overwhelming, as evidenced by the more than 60,000 inquiries and over 12,000 applications for assistance which have been received to date. Applications have been submitted at ten times the rate experienced under predecessor programs. There has been no