

Devco and the loan funds. Approximately 50 per cent of the total has been and is being spent in the Atlantic provinces. In fact, in the fiscal year 1970-71 and 1971-72 the department spent or will spend more money in the Atlantic provinces than was spent in those provinces by comparable programs such as ARDA, FRED, ADB and ADA in the fiscal years from 1965-66 to 1969-70.

I see no evidence to support the view that the objectives of the programs have been watered down. APEC suggests that the department is spending relatively too much money on infrastructure and relatively too little money on what it refers to as economic development. In my view the conclusion is based on an artificial distinction that fails to recognize the contribution to economic development made by residential and industrial land assembly, water and sewer systems, arterial and municipal roads, vocational schools and other projects commonly included in the infrastructure category.

APEC suggests that the department has done little integrative planning within a firm set of objectives and strategies. Hon. members know that many of the programs are based on a joint planning process that is dependent on a close working relationship with provincial governments. We still have a long way to go in developing this process but frankly we are quite proud of the progress that has been made. We are engaged day in and day out in a planning exercise with our provincial counterparts that is now generating, in each of the areas in which we function, a large number of action-oriented studies of long neglected problems and the beginnings of a comprehensive development strategy.

APEC suggests that our industrial promotion and development activities have been too passive. I am not sure that

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when directed at a department little more than two years old this can be regarded as fair criticism. Grants made under the Regional Development Incentives Act have to date helped to create direct employment for over 6,000 Canadians in the Atlantic provinces. The department has shown a willingness to experiment with brand new techniques, such as those represented by the New Brunswick Multiplex Corporation and the proposed Newfoundland Development Council, the department is now considering support for a new Maritime Provinces Industrial Services Council which will be concerned at the regional level with industrial intelligence, industrial research and the provision of management services. I doubt that a program with components of this kind can be regarded as passive.

APEC suggests that the departmental organization is unduly centralized and should be dramatically changed. In the course of doing so it manages to imply that we have 2,000 employees located almost entirely in Ottawa. On the latter point I should state the facts. The department employs a total of 1,600 people. About 700 work in the west for PFRA. Another 250 are employed in our provincial field offices. There are about 625 employees in Ottawa, most of them involved in general administration, in central planning and in the incentives program. I do not intend to get drawn into a debate on questions of departmental organization. There is good reason to believe that the department is one of the most decentralized of all federal departments. There is reason to believe that—

The Acting Speaker (Mr. Boulanger): Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 11 a.m.

Motion agreed to and the House adjourned at 10.31 p.m.