

Supply

The funds through FEDNOR are of course limited. There would have to be a new agreement with the provincial government if we were going to do something in northern Ontario of a great bulky or megaproject nature. I would encourage the province to respond if we were able to come up with a proposal.

Let me just answer with a couple of caveats here. With respect to the money that the Northern Ontario Development Corporation, NODC, and the provincial government's Heritage Fund, is getting instead of stumpage on lumber, quite frankly, there does not seem to be a co-ordinated approach to those funds. I am disappointed with that. NODC has been very co-operative with us in terms of FEDNOR, but most of their contributions are loan guarantees or repayable loans. That, I have to say to my hon. friend, is not the answer to 2,000 jobs.

We have to get the provincial government—and I wonder what my friend the member for Kenora—Rainy River would say—to take a more comprehensive, rather than just a loan guarantee approach to what it is doing in northern Ontario. I would urge that we have an intensive discussion of that after we get our subcommittee from the FEDNOR board back from its visit to Elliot Lake.

I should not let the hon. member forget all of the things we have been able to do in that region. I have listed here absolutely dozens of investments that FEDNOR has made for small businesses ranging from \$14,000 for a small food and beverage operation to \$250,000 for a retail store. These add up to jobs. We must not give up on this either.

In the interim we must target Elliot Lake if we can through FEDNOR, as well as do what we can to come up with a comprehensive plan.

• (1530)

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Madam Speaker, let me do as my colleague just did and speak on regional development as it relates to western Canada.

I want to read the motion. It states:

That this House condemn the government for its failure to protect, support and promote the regional economies of Canada, in order to eliminate regional disparities in the Atlantic provinces, Northern Ontario and Western and Northern Canada.

The motion itself does not contain any suggestion as to what, in fact, the opposition would do differently or, presumably, do better. I have listened to the debate and the comments coming from the opposition side of the House and have not heard any suggestions as to what we have been doing right or what the opposition members would do differently if they were in the position of government.

Let me also point out what we are dealing with. In western Canada, we have been dealing with largely a resource-based economy. Roughly 50 per cent of our exports go to the United States. Something like 85 per cent of our exports out of western Canada are resource-based, exported in relatively a primary form without a lot of value-added. We have been dealing with some very difficult market situations. I would like to point out how difficult they are so that we do not underestimate the problem.

I have had a chance to be in touch, on a regular basis, with the Prairie Farm Rehabilitation Act people who are located in Regina. In looking at the weather statistics, they tell us that of the six worst years in western Canada as far as weather is concerned—going back to when we first started to keep records in the country—that five out of the six worst years have been in the 1980s, 1937 being the exception. Take 1937 and five years out of the 1980s and those were the six worst years that we have had weather-wise on the Prairies. Also consider that a big part of what we do in western Canada is directly related to agriculture. It is obviously a resource industry.

Against that back-drop of how bad the weather has been and all of what has happened in commodity prices, whether it is oil or some of the metals—lumber is somewhat of a different story—listening to the opposition, one would think that everything was terrible. Well, there is no question that there are problems, but, if one looks at some of the numbers, they do not bear out what the motion says and what we have heard to date in this debate.

In point of fact, Manitoba and Alberta have the second-lowest unemployment rate in the country. Over 400,000 jobs—new and, 85 per cent of them, permanent jobs—have shown up in western Canada in the last five years.