

that being set up here to direct them in the expenditure of their money.

If we need proof of that, we just have to look at the so-called increase in procurement in the last couple of years across the country after the Government made a specific promise that it would increase its expenditures in the western provinces. As I am sure you have been told many times in this House, in 1984-85 government expenditures in the West amounted to 13.9 per cent of procurement. Over the years, with a certain amount of pushing by the Government to increase those expenditures, it went down to 11.5 per cent in 1986-87.

Obviously the attempt by the Government to increase expenditures on economic development in those regions will not happen as a result of this legislation, particularly when the money being given to the Department is meagre compared to that spent in the regions by other Departments. Even members of the Conservative caucus who have some concern about the West have indicated that \$1.2 billion over five years will not have a major impact upon economic development in the West. The Minister of State for Grains and Oilseeds (Mr. Mayer) said that it sounds like a lot of money but in the over-all scheme of things it is not that great. A Member from an Edmonton riding, speaking to a downtown Rotary Club said that the announced strategy, though inadequate in its funding, is certainly a modest step in the right direction. A *Financial Post* editorial suggested that there is no doubt whatever that the potential contribution to Ottawa's western initiative is truly piddling. Some \$50 million per year per province will not diversify very much.

It would appear, and this is the kind of change the Government needs to make, that there needs to be a differentiation in policy and programs between the various areas of the country in order to establish a major opportunity for the development of effective and relevant economic structures. We know, for example, because we have brought it up in this House before on many occasions, that in the 1960s and 1970s, when a great deal of money was spent on infrastructure, it had a real impact on regional economic activity. The infrastructure requirements for cities, and rural areas to a certain extent, of the 1980s and 1990s are broader and more necessary than those put in place in the 1960s and 1970s. The services, training and technology required for this kind of development is very closely related to the economic development of an area, so that, even as a rider to this legislation, if the Government brought in a policy of infrastructure development in the cities, particularly those in the regions that are suffering most from a lack of development, there would be a valuable increase in the effectiveness of the program.

As well, the federal-provincial task force suggested that the three Departments concerned with defence, energy, and transportation could, by diversifying their expenditures, create

much more economic development than is going to be the case with, as *The Financial Post* suggested, a piddling investment by the Government to look for some entrepreneurship which will develop future businesses in those areas.

If we look at the areas of defence, transportation, and energy, while some of those contracts should go to areas where there is need for development, more could be done in this area for regional development than this legislation calls for. As I and others have mentioned before, there is a danger in depending upon the development of resources as the basis of regional development. Regional development does not necessarily increase the amount of activity in those areas producing resources. Second, if you have an area with meagre resources to start with and you take any amount of money and say you are going to develop a particular region by processing the resources in that region, you are not going to increase a poor resource base a great deal by spending a lot of money and putting in place the kind of structure that might in some other place be worth while. Consequently, it appears that we should not do that kind of resource development without knowing exactly the direction we are going to take.

Mr. Deputy Speaker: The Hon. Member will have eight minutes left when this matter is brought up again.

Statements by Members.

STATEMENTS PURSUANT TO S. O. 21

[English]

ENVIRONMENTAL AFFAIRS

SOUTH MORESBY—SALMON RIVER WATERSHED—DRILLING FOR MINERALS

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, Canadians are shocked to learn today that the British Columbia Government has authorized Diamond Resources to begin drilling and exploration for minerals in the Salmon River watershed, a pristine wilderness within the South Moresby National Park reserve currently being negotiated.

● (1400)

The Haida people plan to oppose mineral exploration and drilling in the proposed national park reserve in the same manner they oppose logging on Lyell Island.

Mining exploration and drilling on South Moresby must be stopped. The Haida people need the support of all Canadians who believe that South Moresby is a national treasure worth saving for future generations without encroachments on land and sea.