

I do not wish to use this opportunity to say that the previous Government did not try to address the problem. I believe that there is widespread agreement in all political Parties that the initiatives of the past were not as successful as Atlantic Canadians would have liked nor as the national Government would have liked. We had DRIE and we had DREE. Now the Atlantic Canada Opportunities Agency has been established by the Government.

● (1510)

What is different about the Atlantic Canada Opportunities Agency? I would like to take this opportunity to review with Hon. Members what I believe to be the strengths of the Atlantic Canada Opportunities Agency. I believe it is these attributes that are ensuring that the Atlantic Canada Opportunities Agency will succeed. I believe that these attributes are a reflection of our Government's commitment to regional development.

These changes were not achieved without a great political effort on the part of the Government. We had to stand on end the long-standing philosophies of economic development in the regions that prevailed here in Ottawa. We had to literally tear out of the Ottawa bureaucracy the mandate for regional economic development. It is never an easy task to take from the established bureaucracy authority and to transfer it to the regions, but this Government has done so. The Cabinet and the Prime Minister (Mr. Mulroney) have taken the important and tough decisions to ensure that there are improved economic opportunities in Atlantic Canada.

You will hear, Mr. Speaker, that our Government has done a lot about unemployment, about inflation, and about interest rates, but that it has been of no effect in Atlantic Canada. That, however, is far from the truth. Atlantic Canadians benefit from lower interest rates. Atlantic Canadians benefit from a lower deficit. Atlantic Canadians benefit from a lower inflation rate.

It is not true to say that the national economic process of which we all know is of no impact in Atlantic Canada. The people I represent benefit from lower interest rates when they buy homes, build homes, or buy cars. When the people of Atlantic Canada want new policies, social or economic, which will cost money, they know that we have to have the national finances under control.

The people I represent in Atlantic Canada and indeed all Atlantic Canadians know full well that fiscal management at the national level is important and critical to the long-term economic well-being of Atlantic Canada. Therefore, we have put in place significant economic goals and we achieved them at the national level.

The unemployment rate is down across the country including in every province of Atlantic Canada. Within this context of national economic growth with Canada leading the western world, this Government has not merely stood by and said that that is enough. This Government has said that we must do

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more for the regions. We must increase the standard of living and the opportunities for Atlantic Canada. That is why the Prime Minister announced the Atlantic Canada Opportunities Agency, an agency with \$1 billion of additional resources to spend in the Atlantic region, \$1 billion to be directed at small and medium-sized business. This is new and additional money directed at the entrepreneurs of Atlantic Canada. That is a major commitment.

That money is to be delivered by the Atlantic Canada Opportunities Agency, an agency which will be headquartered in Moncton, New Brunswick, an agency which has a local board of directors. It is an agency with local offices, whether in Sydney, Halifax, Moncton, Saint John, or Charlottetown. Those local offices are manned by people who live in the communities and can make important decisions about the viability of proposals for economic development that are put before those officers.

Just to highlight the contrast, in the past these same officers working for DRIE, would receive an application and do some kind of preliminary analysis of it. Then they would send it to Halifax. Then it would go to Ottawa. Then it would be evaluated by a sector analysis branch, and it would then go to a Deputy Minister. In the end, it would go to a Minister. However, it might not make it to a Minister.

In fact, during the first part of my term as an MP, the people of Atlantic Canada were told that their applications could not be approved because they would impact on industries in British Columbia or because the bureaucracy wanted another market study costing another \$50,000. These decisions showed an insensitivity to the region. The bureaucracy was overly cautious. It was not prepared to take the risk. It had a different attitude.

Now the bureaucracy, the people who man the Atlantic Canada Opportunities Agency, know that their job is to spur economic development, their mandate is to work with local economic groups to ensure that the community can put ideas forward to government. ACOA has money to help the industrial commissions and the small communities of Atlantic Canada, to help the entrepreneurs. For example, if there is an innovation project through which something new will be advanced, as much as 60 per cent of it will be made available through assistance. We as a Government recognize that we must build a stronger entrepreneurial base in Atlantic Canada, that Atlantic Canadians who have good ideas and who need capital must be given a little extra help.

We have taken the bold step of putting the economic development task in the hands of the people who live in the regions. We make no apologies for that. In fact, that is what was recommended by the Standing Committee on Regional Economic Development one year ago.

In June, 1987 the House of Commons Standing Committee on Regional Industrial Expansion which I chaired gave to the Government of Canada a long list of recommendations as a strategy to be followed in regional economic development. I