

*Western Economic Diversification Act*

the mills near the Fraser River which are cutting up Canadian lumber. They either export the raw logs or cut up the lumber and export it. However, the young Canadian family goes into the store and buys Swedish-manufactured goods made from Swedish lumber. That is an incredible example of the lack of diversification of an economy in western Canada.

The same situation exists in Alberta with oil and gas, although there have been attempts to diversify in terms of having a petrochemical industry by using the cheap resources like the natural gas to manufacture different products from oil and gas rather than just exporting it south of the border. The same situation exists in Saskatchewan and Manitoba. That is why we want to take time to debate how good this diversification is. People are very suspicious about it.

I particularly enjoyed the speech of the Hon. Member for Regina East (Mr. de Jong) who said that he had spent some time—and I give him credit for this because it is not easy for a New Democrat—listening to the right wing movement in western Canada, the Reform Party. That Party is not challenging the New Democratic Party in western Canada. It will challenge the Conservative base in western Canada because it is a right-wing Conservative group. As my colleague from Regina pointed out, that group is very alienated from the Conservative Party. That group thought that with the Trudeau Government gone, which western Canada perceived had given it the finger, and with a new, fresh wind of conservatism blowing in from western Canada, there would be a change. They feel, however, that there has not been a change.

We must ask ourselves why there has not been a change. It is partly because the Conservative Government has not been listening to western Canada. It is because it is inherent in the nature of this House of Commons and where the population is located in Canada that Québec and Ontario will control this House of Commons and in fact control Canada. The genius in governing in Canada is that a federal Government must try to balance all the different regional concerns and deal with all the different regional interests.

One of the criticisms of former Prime Minister Trudeau was that while he did work amazingly in Quebec, while he fought the separatists in Québec and showed a great understanding of Quebec and was rewarded with 74 out of 75 seats there, he sort of wrote off western Canada. That was the failure of the Trudeau years.

The reason there is alienation in western Canada is because of some of the actions of the Trudeau Government and also because of the failure to have diversification in western Canada, and I am not blaming any particular Party or group of people for that. That is why we must take some time to debate this Bill.

I do not want to get into a shouting match with the Government. I have tried to take a higher road on western diversification. However, the Government does have 211 Members, it does control the legislative timetable of this House. It must know that it has put so many Bills before the House and

mismanaged the time of the House so that everything is now inevitably crowded into the last part of the four year legislative session. That is why we want to take some time to debate the Bill.

We also have some concerns with the Bill. I have a report from the Canadian Federation of Independent Business which is not a support group for the New Democratic Party. If anything, this group is more conservative, populist if you like. That does not mean that we in the New Democratic Party cannot work with them or do not listen to them. Indeed we do and they often have some very interesting things to say.

In the executive summary of the report which they prepared for the Minister responsible for western diversification, they say that their enthusiasm has been tempered toward the initiatives that the Government is bringing forward on western diversification by growing concern that the western diversification initiative is degenerating into a political slush fund to support vulnerable constituencies, lure in big business, or bail out obsolete industries in hopes of gaining short-term political profile. That is the way the Liberal Government of Pierre Trudeau treated western Canada. They say that it could be a bureaucratic slush fund available for other line Departments and Ministers to raid in lieu of other national programs that should have their fair share spent in the West. They state that it could be a narrow and highly centralized approach to diversification, with continued emphasis on megaprojects or traditional resource extraction and development.

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The Federation of Independent Business shows some wisdom in questioning the megaprojects because the traditional panacea for development in western Canada that has been offered by western and national politicians has been the great megaprojects like the Mackenzie Valley Pipeline, tarsands development and other projects like the coal project in northern British Columbia. These megaprojects provided lots of money and short-term jobs, but not much diversification.

The former Premier of British Columbia, Dave Barrett, said it very well when he talked about the development of North-east Coal in British Columbia. Now, it is almost being sold at subsidized prices to the Japanese. He said, referring to the Japanese: "They got the coal and we got the hole".

Finally, the Federation of Independent Business states that this could be a confusing black box lacking clear criteria or policy direction and on a collision course with a myriad of client groups which are inevitably going to see thousands of applications rejected and thousands of hopes dashed.

That is a searing criticism, but to be fair, the Canadian Federation of Independent Business goes on to suggest ways of dealing with this and letting diversification really work in western Canada.

It is important that this debate continue so that we may air these concerns. Canada has always been an exporter of raw