

• (1720)

[*Translation*]

Mr. Speaker, the changes announced recently in our action programs will largely help small and medium-sized businesses. Since the vast majority of the projects are small, 85 per cent of applications will continue to be favourably received. Projects below \$200,000 will continue to qualify under the ACOA. I believe I have demonstrated that the Government's regional development policies are an unparalleled success. That success is recognized in the Atlantic Provinces, despite the rhetoric we are hearing from the other side of this House.

[*English*]

As I have said earlier, there is no doubt that we are facing some severe difficulties in Atlantic Canada. Those difficulties, to some extent, touch on this whole concept of sustainable development that we have heard so much about from the World Commission on Development and the Environment. What we are seeing in the fisheries is the reality of a resource that has not been as abundant as we had thought. It is not capable of supporting the industrial infrastructure we have put in place. We have come to the difficult decisions which cause us to reduce our exploitation of that resource now in favour of maintaining that resource on into the future. There is a dramatic need for support for those people and those institutions who are both economically and socially affected by this developing dilemma. I have every confidence that this Government will provide that support in those adjustment periods.

The same applies for those decisions in the name of economic restraint and fiscal responsibility which we must practice in this nation and in the concept of sustainable development which we must come to grips with. Those Canadian Forces bases closings and reductions will require major adjustment support. I have confidence that this Government will provide it.

In terms of regional development, I think that the figures speak not of economic devastation in the Atlantic region but of economic support which has been unprecedented. Five hundred million dollars is being spent in 1989 versus an average of \$285 million in the previous five years and \$185 million averaged in the five years before that. The average in the current five year period,

*Supply*

while it will drop from \$500 million to perhaps \$400 million one year from now and then gradually ascend, the average over the next five years will be \$425 million. This is hardly a contribution to economic devastation. On the contrary, it is the commitment of this Government to economic prosperity and economic development in the Atlantic region.

It is unreasonable to claim, as one Hon. Member has claimed, that this Government's budget constitutes a rape of Atlantic Canada. That is not only unreasonable, it is irresponsible. The facts are that this Government, in a manner without precedent, has addressed economic development in the Atlantic region in very full measure. While we have to face up to a reduction in the developing thrust and in the momentum of that development, it is not by any means a return to the old days.

In terms of this Government's commitment to financial responsibility, there is one figure that has struck me, and I frequently get asked the question: "Why does the Government itself not cut its own administration? Why does restraint not begin at home?" An interesting statistic is that since this Government took office in 1984, the Public Service has been reduced by 11,000 person-years. The Public Service today is the same size that it was in 1973. I wonder how many businesses in Canada could make that kind of a claim in terms of keeping their own house in order.

There are four things that I would like to say briefly that we must do in Atlantic Canada, and in fact in Canada. First, all Canadians, including Atlantic Canadians must recognize the deeply serious debt dilemma in which our country finds itself. Unless we demonstrate the financial responsibility, strength and courage to deal with that debt, to get it down, to alleviate the constant interest growth and the constant interest component of our spending, we will not be able to deal with any special problems, let alone address development in places like the Atlantic region, as we have. Second, we must accept and support the restraint measures. I believe that Canadians do accept and support the restraint measures that this Government is practising. I know it is difficult for all of us to see a service like VIA Rail diminished or in prospect be diminished. I hope that the operators of VIA Rail will find a way to maintain a large part of that