

hope. It is contributing some money, not enough but some. The Economic Council of Canada says that the programs administered by the agency are likely to be the targets of countervailing agencies. In response to this concern that has been raised by the Economic Council all we have is the assurance of the Minister for International Trade that it is complete nonsense to believe that the Atlantic Canada Opportunities Agency would be threatened by U.S. actions. He makes a great many statements that the concerns that are raised by certain organizations, including very reputable and supposedly impartial organizations such as the Economic Council, are complete nonsense. The Minister is full of bluff and bluster and stonewalling, but he does not deal with the substance of the concern.

● (1710)

Why should we believe the Minister on this issue when we have seen American actions on the whole question of ground-fish, and when the trade arrangement itself provides for a period of five years to determine what is and what is not an unfair subsidy? That is the very period over which this \$1.05 billion will be running, at the end of which it will have expired. Perhaps the Government expects itself that it will be targeted for being unfair and so it will just let it run out at the end of five years. In this way it will not be embarrassed when it is indicated by the United States that it constitutes an unfair subsidy.

Considering that the Government has made many statements, repeated statements time after time, that approvals for the Atlantic Canada Opportunities Agency will be determined on the merits of the application, it is worth noting that the President of the Economic Council of New Brunswick, Mr. Reno Volpe, who is also a member of the Advisory Board to ACOA, expressed the concern that urban centres might be given a greater degree of development. He said that they would have an advantage over rural areas. In other words, there is a concern that the Atlantic Canada Opportunities Agency is going to continue on a regional basis the kind of centralist tendencies that we have seen in the Canadian economy over the last number of years in which more and more of our industry, our development and our commerce tend to be concentrated in the region around Toronto. So with this attempt to have some development in Atlantic Canada we will have a sort of minor centralization. But it is not getting out to the small communities where development is really needed.

In this connection it might be helpful to look at some of the testimony that was put before the committee studying Bill C-113 which deals with the Department of Western Economic Diversification. The two Bills are somewhat similar. Appearing before the legislative committee was Mr. Dennis Young who is the President of the Canadian Association of Single Industry Towns. Mr. Young pointed out that over the past 100 years there have been over 400 single industry towns close cross Canada, many of them in Atlantic Canada, western Canada and northern Ontario. These towns represent single industries

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such as mining, forestry, fishing, oil and gas and agriculture. The association is trying to take a leadership role to prevent this from happening to other communities, and to encourage all communities to take greater control of their own future through the design, the development and implementation of community self-reliance principles and mechanisms. That is what Mr. Young said to the committee.

But the question that I have, both with regard to Bill C-103 and the western diversification Bill, is how do these Bills really help small communities to do this? Rather what is happening is that proposals will be brought forward. They will be approved on a proposal-by-proposal basis in accordance with what the Minister himself thinks in the final analysis. There is not any real focus. Again, this is a critique of the western development program. It points out that the western diversification initiative was launched without any articulated development policies or principles. Consequently, they came off the mark with no focus. To this day the public is still confused as to what it is all about. We believe that when a shotgun approach is used one will end up shooting oneself in the foot. What was said about western diversification is also true about the Atlantic Canada Opportunities Agency.

It has been called a very haphazard, reactionary approach to development which will likely result in our spending another \$1 billion of taxpayers' money without ever achieving the long-term goal of diversification for western Canada. The same goes for the \$1 billion that will be spent in Atlantic Canada. It is likely to be spent without achieving the goals of reducing regional disparity.

For example, in both Bills municipalities are not eligible for assistance to support community-based economic development initiatives. They are not eligible to receive assistance for infrastructure.

The Association of Single Industry Towns went on to make a number of recommendations. I would like to read them because I think they apply not only to western diversification but also to Atlantic Canada. First, the association suggests that we adopt a truly bottom-up approach to development which focuses on removing constraints to development and the real barriers to economic growth and diversification. WDO should review the association's frontier development policy and use it as a guide to develop a comprehensive set of development principles, policies, programs and services which will serve as a framework for the future of western diversification for this generation and for the next. In other words, we need to have principles in place. It is not just enough to say that individual proposals will be considered on their merit.

The WDO should develop ways and means of supporting and mobilizing community-based economic development, first, by allowing municipalities to be eligible applicants for western development funds. In view of the fact that the entrepreneurial energy is still a relatively untapped resource in Canada, western diversification should develop ways and means of