

questions that we ask about this bill are not complaints or criticisms of favouritism to Quebec. We have some very important questions with regard to whether or not this measure will accomplish the objectives the government has in mind, and whether it will deal with the economic problems that are one major component of the over-all problem facing this particular part of Canada. We are also wondering whether this program will in fact make a significant contribution, the contribution expected of it, to solving these problems. Secondly, there are some very important problems in other parts of Canada which we feel are deserving also of attention by the federal government.

Reference was made this afternoon, as it was in earlier debates during the current session, to the designation of regions across Canada. Wide areas of Canada are now being brought under the umbrella of the legislation and are being stamped either as designated areas or special areas. Therefore, it is important to take a minute or two to examine the government's record in this respect. We should see what it has done and relate it to some of the things that were said at the time the program was being introduced.

I was particularly interested in this matter, because, as a member from Saskatchewan I was very much aware of the particular problems facing Saskatchewan during the past two or three years. Consequently, I made representations to the minister, asking that there be an extension of designated areas in the province of Saskatchewan. In this regard I wrote the Minister of Regional Economic Expansion a letter on October 6, 1969, in which I pointed out:

My particular concern is for the province of Saskatchewan which, as you will know, is experiencing acute economic difficulties at the present time. Income levels and economic activity in Saskatchewan are currently well below neighbouring provinces and indeed only the Atlantic provinces are now below Saskatchewan in income levels. Additions to grain inventory which do not represent cash in the pocket succeeded in keeping Saskatchewan's level above that of Yukon and Northwest Territories.

I received a very nice letter in reply from the minister, dated November 13, 1969, in which he said:

I fully appreciate your concern with the difficult economic problems facing Saskatchewan today. I share the concern. Frankly, however, I cannot agree that the attitude expressed in the news release which you sent to me will be the most effective in solving the problems.

That refers to some comments I had made and which I had enclosed with my letter:

The incentives program is only one of a number of measures that need to be used. Important as it is, I would not pretend for a moment that it alone can solve all of the problems that we are trying to attack across the country.

I agree wholeheartedly with that statement, as I shall indicate during the course of my remarks. Then, further on in his letter, the minister made this comment in turning down my request that there be an extension of the designated regions in Saskatchewan:

It is the nature of industrial incentives that, the more widely they are spread, the less they will do for the areas where they are the most important of the possible programs.

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Accordingly, what we tried to do in our designations was to use our available funds most effectively to produce across the country the best possible balance of results for Canadians whose employment opportunities could not be improved without the incentives.

That is a very laudable approach. However, it seems that the minister uses one approach one time when it suits his purpose to do so, and another approach another time.

In looking at the general approach used by the government and examining the inconsistencies that have been apparent over the past year and a half, it is interesting to note what the minister said when the regional development incentive legislation was before the regional development committee. On April 15 he was asked some questions by, among others, myself as a member of the committee with regard to the designation of areas across Canada. One of the comments made by the minister is the following, to be found at page 3:62 of the committee report:

You know this is a very touchy point and this is the really difficult part of this program because the more you extend it, the more you weaken it. Manitoba asked for the whole province to be designated. All those cities that are not designated, of course want to be designated. I think only Montreal and Toronto have not asked to be designated. You can make a very good case for a municipality which is outside any limit you make. There is no doubt about that. We have to get used to hearing from people who are not satisfied with the borderlines. I know every day I received complaints and there are good cases; there is no doubt about that, but if we start extending it indefinitely it would become meaningless. It is a difficult point and I am sure many can prove to us that we should include this city and this other one. We have no reason other than if we extend it too much, it will become meaningless. It is difficult and politically it is very difficult too, but anyhow this is the purpose of the program. We have to stick to our guns.

• (4:30 p.m.)

Again, on April 15, 1970, the minister made some other comments before the committee when he was discussing the legislation. They are reported at page 3:15 of the proceedings of the Regional Development Committee:

There is no definite or very precise criteria and we cannot say that we were not wrong in some cases. We do not know. The future only will tell. Our decision was based on this general philosophy, except the designation of some small areas, mainly in Newfoundland, where we designated special areas for purposes of resettlement. We cannot say that those resettlements were growth centres in themselves. It was for a particular purpose. At least the government of Newfoundland agreed with us. So this is the way we have approached the problem and this is the principle on which we based our decisions.

Then, in answer to a question by the hon. member for St. John's East (Mr. McGrath), in respect of Cornwall, Ontario, which is now to be included as a designated area, the minister replied as follows:

Cornwall is located in a very prosperous region of Canada. Cornwall has some difficulties mainly because of the situation in the textile industry. I do not think that the solution for Cornwall is to make a special area out of Cornwall. It is to see how we can solve the textile problem in Canada. I do not believe that Cornwall is say in the same situation as certain areas which were designated special areas. This town has been affected by one industry. It is the textile industry. And if we do not find a solution to the whole industry in Canada, I do not think that even if we designate Cornwall as a special area, if we do not find a solution to the whole problem.