

*Adjournment Debate*

extinguished itself when the source of ignition was removed and would not have been visible to the crew or passengers.

**Mr. Hurlburt:** My report is from the pilot.

**Mr. Prud'homme:** The reported explosion was in fact engine surge caused by the partial and temporary blocking of the engine air intake by passage of the nose cowling as it left the engine. The cowling scraped the wing top, causing a six-inch tear and made a small perforation in the midship galley door, but no serious damage was done to the airframe. There was, of course, damage to the power plant itself.

REGIONAL ECONOMIC EXPANSION—NORTHERN ONTARIO  
POSSIBLE ESTABLISHMENT OF CROWN CORPORATION

**Mr. John Rodriguez (Nickel Belt):** Mr. Speaker, I asked the Minister of Regional Economic Expansion (Mr. Jamieson) about the establishment of a Crown corporation in northern Ontario. The only answer I received was that either the matter would be looked at, or that the minister did not go into specifics with respect to the mechanism of a Crown corporation for northern Ontario when he discussed such matters with the Ontario government. I find it very difficult to reconcile such evasive answers when the minister admits the situation in northern Ontario is not a healthy one. I quote from his statement to the Standing Committee on Regional Development on April 10, 1973:

Northern Ontario has experienced a growth rate in population of less than one per cent per year throughout the decade of the 1960s, slightly below the average for the Atlantic region.

He went on to say:

The general social and economic climate in northern Ontario suggest that special efforts will be required if there is to be a significant increase in the employment and value of production derived from the extensive natural resource base and an increase in the viability of some of the urban centres.

It is two months since that statement was made, and I have been patiently waiting for the minister to outline his department's approach to "special efforts". One of the special efforts I have been suggesting is a Crown corporation for northern Ontario. It is not a new concept and it has worked to the benefit of other economically depressed areas such as with Devco on Cape Breton island. As a matter of fact, the idea of a Crown corporation is also proposed in the government's report entitled "Ontario Regional Review", and I quote from that document as follows:

● (2210)

The nature of the regional development problems in northern Ontario, however, calls for substantially more initiative on the part of the public sector in the future than has been the case in the past.

Yes, Mr. Speaker, the need for greater initiative by this government should be shown, and such initiative manifests itself in direct government investment through a Crown Corporation. The Department of Regional Economic Expansion has contented itself with the carrot approach by offering incentive grants to industry to locate in northern Ontario. That program has been less than spectacular. From 1969 to 1972, \$31 million went to northern Ontario in

[Mr. Prud'homme.]

the form of grants, but two of the biggest beneficiaries, or bunnies, namely, Algoma Steel and Ecstall Mining, ate up most of the carrots—that is, \$21 million. The remaining \$11 million was spread among 55 firms.

So far as jobs are concerned, the Sudbury area expects 38 jobs, Thunder Bay 104, Sault Ste. Marie 77, Timmins 113, and North Bay 304. That is a disgraceful performance. Both provincial and federal departments have in their files studies which show the kind of viable secondary industries which would prosper in northern Ontario. For example, the most recent study done for the provincial government is entitled "Prospects for an Expanded Non-Ferrous Metals Industrial Complex for Northern Ontario". It was written and edited by Gerald Hodge and Cheuk Wong. Such a complex has possibilities for success in northern Ontario, but this government refuses to take the kind of decisive action which in the past has overcome many formidable problems which faced Canada.

The people of northern Ontario want decisive action now, not after the Liberal government has permitted mining ghost towns across the north. Indeed, many of us in the north have quickly come to the conclusion that putting a Liberal government in charge of regional development is like putting a pope in charge of a birth control program.

[Translation]

**Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion):** Mr. Speaker, I have studied with great interest the representations of the hon. member.

[English]

I am concerned about what he has said because other members from northern Ontario have spoken to the Minister of Regional Economic Expansion (Mr. Jamieson)—and when I say "other members", I mean members of our party—time and time again about providing additional financial assistance to that area. What is wanted is not only some form of assistance to companies and industries, but also a program to make communities more attractive sites for economic development.

The minister listened to the advice given him by hon. members when he appeared before the standing committee on his departmental estimates, and he is fully aware of the very helpful evidence supplied to the standing committee when it held hearings in Sudbury on May 30, 1973. The hon. member attended that meeting and so did members of this side. The minister expressed to the committee his concern about the growth of the general economy of northern Ontario and indicated that it was his intention to meet with provincial ministers to explore ways in which it might be appropriate for his department to assist more effectively in the economic and social development of the region. A very useful meeting was held with the government of Ontario on June 7 and a working party has been established to study the various approaches and proposals which are under consideration.

With respect to the hon. member's suggestion of a Crown corporation, this is one of a number of mechanisms which will be considered. It has been used in various forms in other provinces, namely, the Newfoundland and Labrador Development Corporation, New Brunswick Mul-