

more in Timmins than it does in Toronto. I think the idea has been developed that northern Ontario is a place to be exploited, and exploited only. So, we have not brought out anything to interest people to establish on a permanent basis. I think we should tackle this subject of transportation. I am very reluctant to hear all about the Crow'snest rate, the Maritime rate and that northern Ontario is neglected. I cannot say that we should ask for this consideration. I think it is a condition that should exist anywhere in Canada, and any place that is going to be developed will have to justify its position. We have rates, today to remove our raw materials from northern Ontario that are so low that it is interesting for everyone to come in. However, we have rates that are so high to bring back the finished product that it will discourage anyone from establishing there, and any finished product will go under the high rate.

Mr. MARTIN (*Timmins*): To offset the subsidized low cost.

Mr. LEGAULT: Well, Mr. Kilgour brought out a good point on that, that in a way we are subsidizing the south. They do not know if the taxes they would have to pay to bring industry back to the north could be justified. Well, I think it would be better if they perhaps thought over again if it could be done either through the provincial government or through federal help.

As an example, how are we hitting at this thing? I think we are hitting at it by the hit-and-miss method. I can tell you of a project by someone from New Brunswick who came up to our area to open up a potato farm and this has been mentioned before. Now, why was this not developed, why was this not investigated further? I asked the Department of Agriculture about this and they said it was really a good project but it went under water because of mismanagement. The fellow knew how to operate it but he did not know how to manage it. Here is a case where I think the IDB is wrong, because the conditions that they impose are practically the same as when you go to an ordinary bank. Nothing is assessed according to the potential.

We could talk about the tourist industry. There is a great potential there, but if a fellow does not have the material or the finances he does not qualify, no matter where he has established himself. I know of quite a few places, and I am quite sure you gentlemen do as well, that could well merit the consideration of IDB but unless a man has backers he will not be considered.

Let us talk about something else that was brought out, marinas. These would help. These are all small things that would help to develop northern Ontario. As for marinas, unless someone has the capital in order to match it, dollar for dollar, they cannot obtain any consideration from the IDB. Why not suggest that loans such as have been made to the farmers in the area could be made to some of the tourist operators, and they could obtain money on the potential? What does a farmer have if it is not just the potential? So, marinas should be considered in that.

There are other things. What about transportation? We have been talking about trying to improve transportation. I have been talking about trying to get Air Canada to take in all the line, say, from Sault Ste. Marie, Timmins, North Bay, Ottawa and Montreal, but no, anyone that travels that route has to go around by Toronto. Does this not just direct the flow down to that area? If we could get better transportation, and if we could get moneys on a business basis, I think it would be the ideal thing.

You mentioned the question of beef raising a while ago. I think the whole thing was tackled in the wrong way because Mr. Stewart, the Minister of Agriculture for Ontario, suggested what happened in the clay belt when they brought in some quality