

Regional Development

Mines. These are the things I think we must look into if there is to be any hope of success for the regional development programs.

I challenge the minister to deal with this situation and to do something about it. He said earlier that they had difficulty in finding people to act on the board. This is surely nonsense. It is certainly possible for the minister to find qualified people in business, in university circles and among other people in the community to act on this advisory board, who would not be involved in any potential conflict of interest. I think we must all ask where is there adequate information on some of the special programs this department is handling. We have very elaborate studies in respect of the proposed Gaspé plan, the northeastern New Brunswick plan, the Interlake plan and a number of other plans. However, there is only very brief mention of the other plans in the annual report of the department. Why can we not have some sort of report on these programs which involve expenditures of millions and millions of dollars?

I was surprised at the remarks of the hon. member of Gloucester (Mr. Breau). He came to the defence of the government and seemed to believe it is doing all right. I am sure the people of Bathurst would be very interested to hear this. I am surprised that any hon. member, even a government member, would not be calling on the government to improve these programs and pull up its socks. Certainly there is need for improvement in Bathurst, on the information available to us. If he is interested in the people who work in the plants in that part of the country receiving low wages, I am sure they would be very interested in hearing such a statement from the hon. member.

In 1968 we heard much about the just society, about doing something in respect of regional disparity and the problem of poverty. I think we must ask what progress is being made other than the fact that we are spending a good deal of money. The minister on more than one occasion made reference to specific projects. I think the minister can validly and understandably point to certain programs as having been useful and as having done some good. I have no argument with this, but when this is the type of defence he comes forward with, I think he misses the basic point about what has happened in the country.

Has there been any change in the picture in respect of regional disparity? I say there has been no improvement in this situation. I was very interested to note this afternoon that the minister chose to trot out some statistics which he used before the committee last spring. At that time he tried to show that we are making progress and that things are better. Today he did not attempt to do this. The fact is that some of the indicators he used at that time have taken a change of direction so that they could not be used for his purposes today.

I suggest there is an absence of effective planning in the department. The department has been used for crash programs and this has destroyed its basic purpose. The Newstart program was a very interesting social experiment. We expect a certain amount of difficulty in such a program, and I do not complain about that. In that sort of experiment you will not have a 100 per cent batting average. Although I do not complain about that, there was a body of knowledge, skills and expertise gathered together

[Mr. Burton.]

in the program which has been disbanded and we have not heard anything about what the government has in mind as a followthrough to that program.

Similarly we have the situation in respect of the multiplex program. Do we see any new results or any real initiative from the government in dealing with the problem in New Brunswick where this program was set up? We have an ad hoc approach. Then there is the question of the government's reliance on its industrial incentive grants. I suggest this reliance is based on the faulty premise that private enterprise can do the job of correcting regional disparities if given a little help. I suggest this is false because I believe private enterprise is responsible for some of the growth in some of the disparities we are trying to correct in Canada at the present time, which are admittedly difficult problems. There is a certain trend we should examine in respect of these grants; I think we should take note of them.

• (1550)

The fact is that there has been a steady growth in industrial incentive grants. I suggest that it will become a scandal in the future unless there is some change in the priorities and the emphasis of the government. Let us look at the picture. In the first quarter of 1970 there were 70 grants approved; in the second quarter, 77; in the third quarter, 78; and in the fourth quarter, 90. In the first quarter of 1971, there were 124; in the second quarter, 147; in the third quarter, 232; in the fourth quarter, 253. This shows a steadily rising trend. I suggest that if this trend continues, within three years the private enterprise of this country will take a rip off of \$1 billion annually from the federal government.

The fact is that there are many other problems that could be pointed out with respect to industrial incentive grants—the unplanned growth, the very irrational designation of regions across Canada and the emphasis on pulp mills in some cases. In the case of the Saskatchewan pulp mill, it can be pointed out that the minister and the deputy minister said last spring before the committee that this pulp mill and the government would make sure that pollution control standards were met. Recently, the official of the Department of the Environment who is concerned with pollution control standards for pulp mills stated that the Athabasca pulp mill never had a chance; it simply could not hope to meet the pollution control standards that were being set up by his department.

That was surely known to the government last spring when they were engaging in the type of charade in which we were involved. A great many grants have been given to foreign-controlled firms and I think it is important that I deal with the question of the relationship between regional development and foreign ownership. I do this because of the Prime Minister's statements over the past several months in which he tried to indicate that one reason the government was being careful and was holding off on the foreign ownership policy was that it would hurt regional development programs.

I think we now have convincing evidence through the CALURA reports, the studies of the Department of Energy, Mines and Resources and the Gray report which came into public hands that in fact there is a higher