

processing plant in Valleyfield with 26 jobs, lumbering in New Brunswick with 50 jobs? Many of these are small companies spread across the slow growth regions. In P.E.I. we have a herring reduction plant where 19 new jobs were created.

I do not want to go on in that vein because I want to go on to another aspect of the program where the whole concept centres on planning. This program, known as the Special Area program, is where the two governments, the provincial and the federal, look at the slow growth region, try to identify what would be called growth points within the region where, in addition to industrial incentives, there are also aids for growth point communities to expand their community facilities and to do all this within, say, a five year plan of development. That is what we are doing as another major thrust in this department. This refutes the suggestion of the spokesman for the NDP that this is an unplanned process. It is based on longer term planning in the special areas. In these special areas the federal government is able to do more than make industrial incentive grants; it is able also to fund basic community infrastructures. The total plan now is just under \$300 million in those special growth areas with high promise of development of regional impact. This is a second massive program and it, too, is only in its initial stages. Of that amount of \$300 million 61 per cent goes to the Atlantic provinces. This also will reduce disparities. The new jobs which I mentioned as being treated under the industrial grants program do not take account of the new jobs created in building community utilities, roads, schools and new housing in these special growth-point areas that are expected to have a regional impact in fostering self-generating future development.

**The Acting Speaker (Mr. Richard):** Order, please. I regret to interrupt the hon. member but his time has expired.

**Mr. O'Connell:** I have not touched upon ARDA or many other programs of economic expansion and social adjustment that I could have mentioned had there been time.

**Mr. John Burton (Regina East):** I feel that nothing could illustrate the timeliness of the motion before us today better than the intervention of the hon. member for Trinity (Mr. Hellyer) this afternoon. I feel that the hon. member should be congratulated for the courage of his stand and for the attempt he made to persuade his colleagues to mend their ways and to adopt a different set of economic policies for Canada. I think he demonstrated the same sort of courage which he had when he initially took the step of leaving the cabinet.

While I might have some reservations or further questions on some of the points that were suggested by the hon. member for Trinity, I think that his basic thesis was very clear. He suggested that the basic course of economic policy in Canada is wreaking untold hardship and suffering on many thousands of people in Canada, and that the government desperately needs to adopt a new set of policies. Certainly, when he talks about reducing inter-

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est rates, about price and wage guidelines, his suggestions fall within the scope of what we have suggested for some time, namely, a comprehensive income policy which relates to all forms of income.

● (5:30 p.m.)

From time to time we have also proposed measures to bring about tax cuts and to increase housing programs. I suggest that the hon. member made a very useful contribution this afternoon. It will be interesting to hear what his colleagues on the government benches have to say as a result of his intervention. The hon. member for Scarborough East (Mr. O'Connell) spoke in this debate and related his remarks to the department with which he is most concerned, but he carefully avoided any reference to the contribution made by the hon. member for Trinity. It will be interesting to hear what other government members have to say before this debate is concluded.

**An hon. Member:** Don't hold your breath.

**Mr. Burton:** The motion takes aim at a broad range of government economic policies. It refers to the failure of government policies with respect to inflation. The fact is that inflationary trends are still with us, as was correctly noted by the hon. member for Trinity. The Prime Minister (Mr. Trudeau) has been trumpeting loudly that the inflation problem is solved. If that is so, I see very little purpose in retaining the services of Dr. John Young, chairman of the Prices and Incomes Commission. What is the purpose of having the Prices and Incomes Commission and Dr. Young's circus effort, if the problem of inflation has been solved? This is why some of my colleagues in this party have taken objection to the supplementary estimates which will be voted on later tonight, including the vote concerning the Prices and Incomes Commission. We feel that the sooner Dr. Young's services are dispensed with, the better for Canada.

We also should note that we can no longer depend on a market approach to the economy in order to solve economic problems. Some interesting remarks were made by Professor Rotstein of the University of Toronto regarding developments in the Canadian economy. He noted the influence of United States multinational corporations, the particular problems with respect to the application of United States law concerning trading with the enemy, in United States terms, and the question of that country's anti-trust laws. These have a definite impact on Canadian economic activity.

Professor Rotstein also noted that we no longer have a market situation in our economy. The growth of the multinational corporation means that many economic transactions are not of the arm's length type in which a true market price is set; rather, they are simply transfers of products or wealth within an existing corporate structure. No real transfer takes place in terms of an arm's length economic transaction. We are dealing with a completely new type of economic situation and will have to find new solutions and policies to come to terms with its problems and developments.

The motion refers to the unemployment problem, which is a very real one for the 675,000 and more people