

ment decrease and that would contribute to assure the economic stability in my area.

I am pleased that this bill has been introduced, since it is so important for both new and existing industries for which I have already requested special assistance. Now, the bill under consideration will encourage them to expand and modernize and still attract new industries interested in establishing in our constituencies if they are given the necessary assistance.

Some people claim that commercial operations would benefit from the provisions of the bill. I am pleased about that. Special development incentives could be granted concerning specific projects to be carried out in the next two years and the maximum amount of the incentives will be 10 per cent. I do not have to repeat the figures since the bill has already been tabled.

Those important and profitable changes for any new industry will create a more favourable economic climate. The members who represent ridings involved will not hesitate to support this bill.

Again I emphasize this freedom to express personal opinions in the House. I would be the last one to criticize the general policy of the Department of Regional Economic Expansion as I consider that the province of Quebec has received its fair share. As a member for this province, I can but express my gratitude for the minister's good offices and for the interest he took in solving Quebec's problems.

I must not forget to invite the Minister of Regional Economic Expansion (Mr. Marchand) to think of all parts of Canada. I believe he does. I also know it is not easy to please everyone at the same time, but I trust that Canada's economic policy will be such that it will soon attract investments not only in some areas but throughout the country in order to create a better economic climate.

I trust my remarks will encourage the minister to act, and will have the approval of the House. Indeed, we all want to build a better Canada; we all want to see the government become more and more responsible and spend as much money as is humanly and financially possible, as a certain politician often says, for the greatest good of the Canadian people as a whole.

● (9:40 p.m.)

[English]

**Mr. Steven Otto (York East):** Mr. Speaker, the minister looks very tired. I was talking to him a minute ago and I was going to be rather critical of his department, but because he is so tired and because I want to be kind, I shall make just a few suggestions.

**Mr. Gilbert:** Oh, sock it to him!

**Mr. Otto:** In my old age, Mr. Speaker, I am softening up.

**Mr. Benjamin:** In the head.

**Mr. Otto:** Mr. Speaker, the concept of regional expansion is a good one; it has worked in many cases. But I

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have reservations about two points. First, there is very little emphasis in the department on the recreation industry. All areas try to attract manufacturing concerns. They think there is something magical about manufacturing. Therefore, we spend about \$2,000 or \$3,000 per job to put a plant where it does not really belong, thinking this is the way to build up the economy of the country or the area. This is just not so.

Some time ago the United States government decided it would not support recreational facilities in northern New York State and northern Illinois. Indeed, that government said it would recognize the Madawaska Valley, the northern and central part of Ontario, as a recreation area for the whole of the northern United States and Canada. Therefore, the logical thing would seem to be for our Department of Regional Economic Expansion to help expand facilities in that area. This means getting people interested in building good accommodation, year-round accommodation, because if you are exporting climate, snow and water it is something that is very easy to do and also it is very lucrative. It produces over \$1 billion a year and employs a lot of people. Yet when the IDB is approached for a loan for this purpose it replies, "We are really concerned about manufacturing. We will give you so much for a new plant and so much for the machinery." When someone approaches it about a recreation facility, it expresses great reservations.

There is a distinct lack of interest by the department in this field, one that would be extremely lucrative. Therefore, I urge the minister to advise his officials that there is nothing taboo about recreational facilities. If we are to promote any industry, we should recognize the tourist industry, the recreation industry, as a bona fide industry. Austria and Switzerland have done so. Austria, in particular, within the last eight years has made a fortune on it. What are the Austrians selling? They are selling snow in the Alps. They are selling after-ski festivities and the local wines. They are attracting American and Canadian tourists. We do not mind American tourists coming to Canada to spend their money, but Americans want good facilities and Canadians now want good facilities, and that does not mean having to live for a week in a two by four shack. Those days have gone. We must provide first-class tourist accommodation. We must encourage the establishment of schools to teach Canadians how to manage and run proper, year-round recreation facilities. That is where our future lies.

My second point of criticism is in connection with the ideas of departmental officials regarding the location of new industry. In particular, the department does not make use of a great amount of talent and know-how available in our Canadian executive cadre when deciding where industry should go. I am not saying this is the minister's responsibility but I point out that some time ago Clairtone was induced by the Nova Scotia government to move to the Maritimes. If the department—I am speaking of the provincial department—had talked to three or four people who knew the business, those people would immediately have said that it was a dreadful mistake because the manufacture of highly sophisticated sound and television equipment would not be undertaken