

been received from firms stating their intentions to establish in designated areas. Of this number, 620 applications had been approved, or were under consideration, and another 23 had been reserved for final decision.

As of September 30, 1966, the total capital investment represented in active applications amounted to very close to \$1½ billion. The new jobs to be created directly by these investments will be over 40 thousand.

The Minister concluded his report by stating that the Department was conscious of certain imperfections. However, the Department has undertaken a comprehensive programme of studies and development work of their own to try and overcome these limitations. They are examining the possibility of finding a basic geographic unit for designation other than the NES area which would allow the drawing of a fine line in marginal areas. This problem is being investigated with officials of the Dominion Bureau of Statistics and other agencies concerned.

A review of the programme by the Department is underway and approaching completion. As a result of this it was indicated that there may be possible changes in designated areas before April 1, 1967.

(b) The Committee heard representations on some of the problems associated with the Area Development programme from two interested groups in addition to other aspects which were raised by the members of the Committee themselves.

The Committee heard evidence from a delegation representing 47 municipalities in the four Western Ontario Counties of Bruce, Wellington, Huron and Dufferin.

The views of this delegation might be summarized by saying that they were concerned about the lack of new industry that has been attracted to their municipalities over the last few years. The rate of industrial growth in these four Counties is slower than in the larger metropolitan areas of Ontario.

They also were concerned about the adverse effect which the designation of the Georgian Bay area has had on these four Counties. They pointed out that the designation of the Georgian Bay area, while within a separate NES area, was really only part of a larger more natural economic or geographic unit, which included the four above mentioned Counties. They maintained that any new industry interested in their four Counties would be strongly influenced to locate in the Georgian Bay area because of the incentives they would receive and because there were no other significant factors which, for the purposes of industrial development, distinguished these four Counties from the Georgian Bay area.

They thus asked that these four Counties be designated so as to make them competitive with the Georgian Bay area.

They recognized that this could not be done under the present legislation and specifically recommended a change in the legislation that would permit designation of an area in which the average non-farm family income is below \$4,600.00, rather than below \$4,250.00, or in the alternative rather than using a basis of annual family income, to use the basis of the average industrial income for individual workers.

It seemed to the Committee that other areas in Canada in a similar position to the four above mentioned Counties might make similar suggestions.