

INDUSTRY—NORTHERN ONTARIO—POSSIBLE CLASSIFICATION AS DESIGNATED AREA

Mr. David Lewis (York South): Mr. Speaker, after the world matters we have been discussing all day it is almost anticlimactical to raise the point which is now on the agenda. On May 23 I asked the Minister of Industry (Mr. Drury) the following question which appears at page 471 of *Hansard*:

—whether it is the intention of the government to change the criteria for designated areas so that areas of slow growth may be included, as requested by the Northeastern Ontario Development Association. If so, will northern Ontario qualify as a designated area, and will this change be announced soon?

His Honour, Mr. Speaker, ruled that the question was too general in scope. I repeated a part of that question a couple of days later, on May 25, and Mr. Speaker, ruled at that time that perhaps it ought to be discussed at ten o'clock. It is as a result of those questions that I now raise this point.

I can summarize in only a few minutes what is at issue. For some years several members of the house—and as I have found from reading *Hansard*, this is particularly so of the hon. member for Timiskaming (Mr. Peters)—have argued that the old criteria for the designation of designated areas were not adequate, and the criteria relating to the number of unemployed or the extent of unemployment in an area took no account of areas such as northern Ontario where there might easily be unemployment, but the unemployed have left, or areas where the economic growth is slow, or areas where there has been a contraction both of the economy and the population. They have argued therefore, as I have read their speeches in *Hansard*, that the proper criterion was one that took into account the economic state of an area and all the factors of contraction of employment, contraction of population and contraction of opportunity for developing the area.

I do not pretend to be an expert on northern Ontario, but I have seen some of its problems over a number of years and I have been all over the area a number of times. It is perfectly obvious that in some parts of that part of the country there has been too much reliance placed on mining, which in many cases has come to a stop with nothing to replace it. It is also perfectly obvious that there has been very little development in some parts of the area of secondary industry, such as there ought to have been, to supplement mining.

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This fact has always worried not only those who represent northern Ontario in this house and the Ontario legislature, but also the various Reeves, mayors and municipal councils of the communities in northern Ontario. Some time ago they organized the Northeastern Ontario Development Association and, if my memory serves me right, about a year or so ago they made some submissions to the cabinet relating to the criteria for designating areas, and to the general problem in northern Ontario regarding economic and industrial development.

I understand there was also established a northern Ontario committee on which there were a number of members of this house and a number of representatives of municipalities. All these organizations and the northern Ontario committee have been saying the same thing for a long time. They have been pleading with the Minister of Industry (Mr. Drury) and with the government to broaden the criteria under the statute so that areas like that of northern Ontario could have the advantage of the incentives and the other advantages under the legislation for the development of industry.

For two or three weeks some of us have heard rumours that there have been discussions and there may have been some decision to change the criteria, and that something would be done to designate northern Ontario. The purpose of my question was to find out what actually is the case. I ask therefore the minister, who is here—and I appreciate his coming here because I know he was out of town during the day—this question: Has the government changed the criteria for designated areas, and if so is northern Ontario or any part thereof likely to be a designated area, under the statute, in the near future?

Hon. C. M. Drury (Minister of Industry): Mr. Speaker, I thank the hon. member for being forbearing on a number of occasions when this question might have been asked and I was out of town. However, I am now back and the simple answer to the hon. member's question is yes. I should emphasize that this program is not, and is not intended to be, a program of regional development. I think most people would agree that the problem of regional development, particularly economic development within a province, is a matter primarily for the jurisdiction of the provincial government and not the federal government.

If we were to be engaging in a program of economic development within a province, this