

May I favour the House with a brief explanation of the procedure. In the circumstances the House may either give its consent that the matter be considered, in which case it will be considered this evening at eight o'clock; alternatively if the House does not give its consent I will ask those in favour of having it considered to rise, and if 20 or more Members rise it will be in order to consider the motion at eight o'clock this evening.

Does the House agree to the urgent debate on this particular matter?

Some Hon. Members: Agreed.

Madam Speaker: The debate will take place at eight o'clock this evening.

Some Hon. Members: Hear, hear!

GOVERNMENT ORDERS

[English]

GOVERNMENT ORGANIZATION ACT, 1983

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Trudeau that Bill C-152, an Act respecting the organization of the Government of Canada and matters related or incidental thereto, be read the second time and referred to the Standing Committee on Miscellaneous Estimates.

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I had just undertaken to commence my remarks when the lunch recess occurred. As Members are aware, this Bill that we are debating has now been split as a result of our Party's stand.

The present Bill will deal with the reorganization of DREE, or DRIE, as it is now known. I have mentioned this before, and will say it again, that the Department of Regional Economic Expansion was a particular Department of great interest to the rural parts of Canada and, of course, to the disadvantaged parts of Canada. This new Department called DRIE—and I hope it does not mean that money will dry up—is just a subsidiary of Industry, Trade and Commerce. I know that right across the country grave concern has been expressed about how important this Department is going to be and whether it will get the high priority it should. Unlike earlier regional development incentives, these grants, loans and guarantees are now available across Canada. That might be a two-edged sword. Whereas DREE areas were specifically allocated to the have-not areas, the new set-up actually provides grants across the entire country, even for the most buoyant economies. To those of us from the smaller areas and out in the country the idea of Metropolitan Toronto and some other big centres being eligible for grants will probably raise some concern. At least we know they are in tier one, meaning that large centres will not get the high percentages available.

Government Organization Act, 1983

But industry, which has in the past looked favourably on some of the remote rural areas and has set up in those areas because of the incentives, grants, tax advantages and labour situation which was satisfactory, may say, "With a smaller percentage of grant, we will remain in the industrial heartland where there is a greater pool of labour and where there may be slightly higher taxes." By and large they weigh it in the balance and decide to stay where they are or, in the case of new industry, it locates in those areas. It was for those reasons back in 1969 that DREE was formed and came out strongly in favour of disadvantaged areas. Many of us in rural areas, many of whom represent DREE designated areas, will be looking at this matter with some concern as to whether it will be an advantage in the long run.

● (1550)

The maximum level of support in each of the 260 census districts is determined by a development index calculated on the base of the employment rate which is weighted 50 per cent, 40 per cent on per capita disposable income and provincial fiscal capacity. As I mentioned, there are four different tiers of grants. Of course the first tier is for the entire country. The tier in which a census district is located will determine the maximum sharing ratio, the maximum amount repayable and the minimum approved capital costs. Clearly there are problems with this index.

As I mentioned earlier, one area in my riding, the Parry Sound district, was eligible and will remain eligible under the third tier, whereas the regional municipality of Muskoka, another part of my riding, was not eligible and now becomes eligible on a lower grant basis under the second tier.

There are major problems. The first is that many labour force regions are extremely large, as is the case in my particular riding. It is possible that the high unemployment rate of one census district will be offset by a lower unemployment rate of another. The second problem is that unemployment rates tell only part of the story. It is uncommon, for example, in my riding for the number of unemployment insurance beneficiaries to exceed the official number of unemployed. People do not look for jobs when there are none available. Hence they are not counted among the unemployed. Whereas the unemployment figures show that there are 1.5 million unemployed, when we take into consideration the great number of people who have exhausted their benefits, who have been unable to find work in recent years and who are either eking out an existence with their savings or have had to resort to welfare assistance, we realize that indeed the situation is very tragic.

I am aware that the new Minister of Employment and Immigration (Mr. Roberts) mentioned that a very large sum of money has been designated—I believe it is \$1.2 billion—over a period of time to provide jobs. Hopefully this will get under way. Also I assume that some of this money will be channelled through the Department of Regional Industrial Expansion to provide jobs.

We are aware of how many young people are unemployed. The figures are quite staggering. Earlier I heard a figure of