

*Regional Development Incentives Act*

The amount of money available has been doubled. It is clearly spelled out that the regions are to be greatly expanded, and even the minimums are not what we would think of as normal minimums, whether we think of the 10,000 square miles first advanced by the department or the amended version, 5,000 square miles. In various ways this legislation has been extended to cover a great deal more by way of implementation and by way of dealing with realistic opportunities that will arise. Therefore it is most surprising that we should find that the minister and his officials took a very restrictive attitude in respect of the heart of the bill.

The hon. member for Oshawa-Whitby has already referred to the fact that the preamble to the legislation spells out very clearly that social as well as economic aspects are to be taken into account in an attempt to really get at unemployment problems. This measure is not just some kind of gratuity available to industry, or something to make it attractive for industry to move into somewhat unattractive areas and thus benefit the more or less marginal areas of economic disparity without really dealing with the areas of greatest economic disparity. I refer particularly to those areas in the eastern part of this country, in the west and in the northern region. Therefore I have the feeling that those of us who have moved these amendments and will support them have very strong grounds for arguing that the very narrow interpretation of industry by the minister is not easily acceptable to hon. members.

It was not entirely clear in the minister's speech on second reading when he introduced the legislation whether or not he was in fact taking a very restricted view of industry. When the Leader of the Opposition (Mr. Stanfield) spoke on second reading he spoke hopefully about the inclusion under this legislation of service and tourist industries, because these obviously are very much a part of our concern when we think of areas of economic disparity. It was only during the hearings of the standing committee that it became very clear—it seemed to me that the minister's position hardened as we dealt with these two amendments—that there was to be no inclusion for the purposes of this bill of either the tourist or service industries.

The important question to be raised at this point is, what are the regions and what are the regions like which are going to be basically in need of the kind of assistance the minister is proposing under this legislation? I think they would be the areas about which

the minister himself has spoken. Perhaps I may mention, as an example the one I know best, eastern Canada or Atlantic Canada. This is an area with regard to which the minister presumably has some priorities. It is the area in which he is hopeful that much of the money allocated under the legislation will be spent in the development of new industries, thus providing new employment opportunities.

• (3:50 p.m.)

In regard to this area what are the industries that have the greatest potential, to put it another way, in spite of the difficulties these provinces have had economically, what are the areas of the economy that have grown most quickly? I answer: the tourist industry, particularly in my own province. It has one of the most exciting potentials for the people of Prince Edward Island. I am sure the minister would agree with me because he has visited the province and knows its potential for the tourist industry. I suppose that in rebuttal the minister would say: This is what we have taken into account in introducing our comprehensive development plan. The minister may not have used those words, but I have used them for him.

Whatever arguments he uses in relation to Prince Edward Island or any other part of the Atlantic region, he cannot escape the fact that the provincial premiers of the five eastern provinces will be thinking very seriously of what they can do to increase the tourist potential in order to increase employment opportunities in their provinces. The fact that industry has been willingly ignored in the legislation now before us will not go down very well with the provincial administrations in that region.

It seems to me—in fact, this became increasingly clear in the committee hearings—that the interpretation of “industry” in this bill is very narrow. I was going to say that it is an economist's view of the situation, but I shall not say that because if you have 12 economists together in a room you will obtain at least 12 different points of view. I think we have in the bill one economist's view of what constitutes an industrial base for a community or area. If this is the attitude that has been adopted, we are putting ourselves very much behind the 8-ball in hoping to develop a successful program for regions of potential development. This approach says something, too, for the rigid adherence that the minister, up to now at

[Mr. MacDonald (Egmont).]