

Mr. Speaker, it would be in the interest of the public to have more telling statistics, which would prevent such an important assembly as ours to talk somewhat at random about an extremely serious problem, without having accurate information on the situation.

As we all know, Mr. Speaker, the goal of my department is to reduce economic and social disparities between the various regions of Canada, in order to make sure, as much as possible, that people from every area enjoy an acceptable standard of living.

This is a simple objective, that everybody can understand, but the fulfillment of which proves to be very complex in practice.

I am the first to admit that it was not easy at the beginning because the machinery of economy cannot be changed in so short a period of time. One must admit also that it is very difficult to restore the economy of underprivileged areas when the economy of the country as a whole is going slow and the unemployment rate is high.

Mr. Speaker, I think that the present situation is very unfair to unemployed people, but it is also unfair to the Department of Regional Economic Expansion because when the general employment situation is bad in Canada, there is no doubt that the programs that we implement have much less impact and that their effect on the unemployment level in Canada is much less apparent.

I am convinced however that for the past two years, we have implemented programs that will enable us to reduce regional inequalities and the effects of which will be all the more evident since the Canadian economy will be going again.

There are three such programs. The first one provides for employment in slow-growth areas; the second one is aimed at improving public utilities in under-developed areas in order to provide the population with a better standard of living; the third program enables us to provide assistance to the under-developed provinces in adjusting to various changes and in taking advantage of all new employment opportunities.

• (4:50 p.m.)

[English]

With regard to employment opportunities, the industrial incentives program in its new form has begun well. In 18 months, to January 31, we have 404 accepted offers of incentives for industrial plants in slow-growth regions. They involve an investment of \$566 million. Towards that our incentives will contribute \$123 million. The plants that we are encouraging will employ over 20,000 people when they are in production.

These are the new jobs directly created. They do not include the jobs preserved in plants which could not continue in production if we did not help them to modernize. They do not include the indirect jobs, the people who are employed because the new plants buy supplies and because their workers have wages to spend on additional products. The number of indirect jobs cannot be stated precisely, but a very modest estimate is 45,000.

The Budget—Hon. J. Marchand

That is to say, in 18 months the new program has already set in motion investment that will involve, directly and indirectly, a total of at least 65,000 jobs in places where they are badly needed. This is the permanent result—the jobs created when the plants are in production. Admittedly, few of them are in production yet because they take time to build. That is a fact of life and the speeches of critics cannot change it. But these critics might note that the building of the new plants in itself creates immediate employment. Directly and indirectly about 75,000 man years of employment will be derived from the construction that the incentives program has already set in motion.

These are good results at so early a stage. The present state of the economy is not what any of us would like, but it is a great deal better than would have been possible without our regional development programs. For the future we have to go on expanding our efforts. That is why the incentives legislation was strengthened recently. It is why we are adopting new devices, like the Multiplex Corporation that we have just established as a joint agency with New Brunswick. Through that corporation we will be trying to bring a whole complex of large, modern plants into existence, centred on Saint John. That is just one of the new projects that we are trying to work out with provincial governments.

Since my department was established on April 1, 1969, we have not only launched the new incentives program, but, for a transitional period, we have continued the old ADA program. The cases approved under that program since April 1, 1969, are creating 19,000 new jobs as direct employment, and a total of over 40,000 jobs if indirect employment is included.

[Translation]

Then, Mr. Speaker, taking into account only the jobs which are directly or indirectly created by my department, I note that right there a total of approximately 150,000 jobs have been made possible thanks to this department. So, when the hon. members of the opposition state that this department is a failure and that it has done nothing, they are merely assuming the same attitude as the hon. member for Winnipeg North who makes statements without even trying to make sure of his facts.

Another important program being introduced by my department will help the provinces and municipalities set up the necessary public services for the development of low growth areas.

Since provincial and municipal authorities do not have adequate financial resources, the development of such public services cannot now materialize without federal help. This is why we have established our special zones program.

The first federal-provincial agreements, which have been in effect since April 1, 1970, provide for a federal contribution of the order of \$243 million, spread over a two-and-a-half year period. The different projects issuing from such agreements involve directly or indirectly some 35,000 man-years.