

sewage disposal, and all other infrastructure problems generated by the establishment of a new industry? These are areas which have not had, in my view, proper attention.

There seems to be some effort on the part of the province of British Columbia to resolve these problems. The effort thus far has proven to be a fiasco, and I refer the minister and this House to what is referred to as the Kootenay task force study. I understand that there is a similar study into the needs of Kootenay West, and this study is based on a study of the Queen Charlotte Islands and Prince Rupert. It is hoped to tailor the needs of those areas to the needs of Kootenay West. That shows that there is not a true grasp of the needs of either area.

I have other concerns with reference to the establishment of new industry which I think the minister would be well advised to consider. Under-capitalization is one of the biggest causes of the failure of any business or new industry established under the DREE program. Too often in its genuine desire to satisfy the need to establish a new business or a new industry in an area of economic depression, DREE does not look closely enough at the final stages and the final impact of the establishment of that business or that industry. The end result is that after a few months in production they are suddenly faced with additional capital expenditures for which there has been no provision made. As a result the taxpayers' investment has frequently either ground to a halt for a period of time until new capital could be raised, or—and in fact on more than one occasion—has simply gone down the tube. What a waste of manpower, tax dollars, and talent! Under-capitalization is too frequently a cause of this failure.

Some hon. Members: Hear, hear!

Mr. Brisco: There is need to educate the community and the provincial government to the entire DREE program. Frequently we will see a new industry strive to establish. Perhaps initial purchases of equipment are made. Then all of a sudden the new industry finds that it is in trouble and wonders where it can go. Someone suggests DREE, and when the industry goes to DREE it is told that DREE might have been able to help if it had not spent that first dollar. The industry is told that it has gone too far down the line, that it is committed and that DREE is sorry but that there is nothing it can do—end of new industry. That is wrong.

The manner in which this problem can be solved, and quite simply so, is through a proper selling program by DREE officials directed to the people who know what the score is in the community and who know what industries are required and what can best be done to establish them. But let us not mislead the public, the business community, and the taxpayer by allowing some fellow to start up a new industry, and then when the industry is going down the tube being told by DREE that he cannot be helped. It is simply a matter of inadequate education. DREE does not have a proper educational program with which to sell its product.

There are one or two other concerns which I must voice. The other day in a B.C. caucus meeting in Castlegar we received a brief from the British Columbia Wildlife Organization. In that brief they asked the following question: is

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industry created to resolve unemployment? That caused us to laugh and to look at it in a rather cynical light. However, there is some measure of truth in that particular statement. Perhaps we could cite as an example the electric knife. How badly do we need the electric knife? Did some inventor or manufacturer decide to resolve the unemployment problem by constructing a factory to produce electric knives? Is it really that important to us? I am sure there are other examples that could be quoted but I think we must first look at the need to establish a secondary industry that is geared to the primary industry of the riding.

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It has frequently happened that a factory for canning fruit has been established in the heart of a mining area. What purpose is there in establishing a secondary metal fabricating plant in the heart of an agricultural area? In other words DREE is not looking to the problem of creating secondary industry that is tailored to the primary industrial thrust of a specific area or community. If the primary industry is forestry, then let us establish secondary industries geared to that; we should not put in a factory for canning peaches. If the primary industry is smelting, as in my constituency, then put in a metal fabrication plant or something of that nature.

It is a false premise to assume that you can establish an industry that is not related to the basic economy of your riding that is to assure that you are eventually going to lose that industry through the pressures of taxation, competition, or maybe transportation.

Finally, Mr. Speaker, I am concerned that when DREE is providing a grant for the establishment of a secondary industry it should address itself to meeting the basic criteria which are set by the federal and provincial departments of the environment before a grant is provided.

In Kootenay West we are faced with a problem regarding an industry that received a DREE grant. It appears that there is a possibility of a creek being polluted, and of the noise level affecting a neighbour whose home is adjacent to the factory. These questions have been directed to environmental groups and organizations interested in the problems affecting the industry, the neighbour, the Department of Regional Economic Expansion, and departmental officials. I am sure none of them need these additional headaches.

I would urge the minister to realize that environmental concerns must be recognized and perhaps completely resolved even before an industry is established, but I do not say at the expense of industry—I am not one who proposes that industry be put down because of environmental concerns. What I do say is that we have to pay attention and not establish industry that pollutes and is not in harmony with our environment. Those are some of my concerns, Mr. Speaker, and I must express them to the minister on behalf of the people of Kootenay West. I congratulate the minister on his appointment and look forward to working with him at committee level.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I would be less than human if I did not join with the other members who have spoken today in congratulating the Minister of Regional Economic Expansion (Mr. Lessard) on his new appointment. I also thank my friends