

*Regional Development Incentives Act*

mation of the Minister of Finance (Mr. Benson) and his assistants, which indicated that small businessmen, fishermen and farmers have gone to banks but have been refused loans under government acts and that the banks have then made loans under demand loan banking procedure. In other words, they have deliberately scuttled the act. I say this legislation is window dressing and the minister knows it will not work in our area. The only people who will be able to take advantage of loans under Bill C-205 are the relatively large businesses in sophisticated parts of Canada. They can do so because they know the ropes. They can go to banks because they have done it for years and years, and they can take advantage of the situation. People in the slow growth areas where money is tightest cannot take advantage of the legislation. I have quoted statistics to show that under the act 800 loans were made in Canada but only two of them were made in my province, even though the act is supposed to be administered equally across the nation.

Hon. members have listened to the debate on Bill C-205 but I want to repeat my position. I am not against special measures for the city of Montreal, which undoubtedly is suffering serious economic problems at the moment. I am not against special measures being taken in southeastern Ontario, and I would like to see special programs brought in for British Columbia. I understand that the prognostications for the city of Vancouver are that it will have a 12 per cent unemployment rate this winter. The effect of this on young people, and on the population as a whole, will be tragic and frightening.

I think such special measures should be brought in, but I consider that the program under Bill C-205 is designed to even out the economic disparities in Canada in all regions, and our region on the east coast of Canada should have the same basic opportunities as the other regions in Canada. This is the aim of the bill and the end result will perhaps be achieved in a couple of generations. The present move indicates the government has given up the fight against regional disparity and is ignoring the underlying reasons for it. I am amazed at members of the cabinet from the Atlantic region, two of whom are in the House at present, and members of the cabinet from the Prairie region not taking a very strong exception to this bill. This act should never be used as a tool to try to solve economic crises across this nation.

**Mr. John Gilbert (Broadview):** I should like to have a heart to heart talk with the Minister of Regional Economic Expansion (Mr. Marchand) regarding Bill C-205. He and I have a great deal in common. We both came to the House in 1965. We have the same first name—he is Jean and I am John—and he has a French background while I have an Irish background, which indicates volatility and passion. He is a man of good instincts, like most Irish and French people. He is both concerned and compassionate. He comes from working class parents, as I do, and, like myself, he has at first struggled with a minimum of success. He has a labour background and most of his time has been spent in the trade union movement. I myself, have not been that close to the trade

union movement but at one time I was an organizer and I think I am acquainted with some of the hopes and aspirations of trade union people. He has had a reasonable success in his position as a trade union leader. I think I will let you in on a secret, Mr. Speaker, and tell you that he attended the NDP founding convention in 1961, not as a delegate but as an observer. Later he did not see fit to join the party.

**Mr. Baldwin:** He made an even worse choice.

**Mr. Gilbert:** In 1965, he made the decision to join the Liberal party, I would assume on the basis that he wanted to do something for Quebec. He may have thought that the NDP were not in a position to wield power and bring about the changes that he had close to his heart to help the people of Quebec. That was a serious mistake. The result was that in due time he was appointed minister of immigration. I may say that he had a fair success in this portfolio because he appreciated some of the problems of immigrants. The record shows that he did a good and a fair job as minister of immigration. As Minister of Regional Economic Expansion, he has not been as successful. I have often thought that he should have been appointed minister of labour. It would have been more in keeping with his talents, his compassion and the fine instincts he possesses. But he has not had that opportunity to exercise some of his fine instincts. He has been almost totally dependent on his economic advisers, and this has cramped his style because he is not used to the jargon of the economists which is so difficult to understand at times.

Hon. members may recall that a year and a half ago he was responsible for passing the Regional Development Incentives Act. Today, we have before us Bill C-205, to amend that particular act. In his speech the other day he indicated that 15,945 permanent jobs had been created as a direct result, and also that for each of these jobs two additional jobs have been created, bringing a grand total of 48,000 jobs as a result of the act. I think that all of us should know that as of November 30 there were 476,000 unemployed people in Canada, and the minister said in his speech that in October the figures for Quebec showed a grand total of 159,000 people unemployed. The minister then said quite rightly that the legislation was far from enough with regard to meeting the unemployment situation in Canada. I happened to interject right then and the minister told me he had reached that figure far quicker than I had. It is really what is known as a plea of guilty to the charge that not only the act but the implementation of the act has been far from successful.

I am the last person to blame the likeable Minister of Regional Economic Expansion for the total unemployment picture in Canada, because the first reason for unemployment is the government's over-all economic policy regarding inflation which allowed a high level of unemployment to develop. This is the weapon that the government has used to meet inflation. The minister knows that most of our inflation has been imported from the United States, and one of the things that must strike him—certainly it strikes me very hard—is that the Prime

[Mr. Lundrigan.]