

*National Location of Industry Council*

build there. We want you to build in an area where there is a surplus of labour. We will give you certain assistance if you will do that." The free enterprise system works there too, I think, because Ford said they would not build the extension of their factory where it was wanted. But if hon. members will check they will find that Ford subsequently changed their mind and are now doing that. There has been persuasion on the part of the government to see that industry has located in those areas where there is a high concentration of consumers to take a large quantity of the production of a particular factory.

This can be done, with the assistance of the federal government, through the agencies that we now have. I am always shocked, Mr. Speaker, when I discuss this matter with people wishing to establish industries in northern Ontario, by the very limited assistance they have received from the industrial development bank, which is under the control of this house. Yet in Great Britain and other countries, when the location of industry acts were passed, they made available sums of money that could be loaned to industries wishing to establish in particular areas. This has been tried, not only in Europe but in the province of Nova Scotia with some success, where they have established an estates act and have built a number of factories. I believe that an extension of the industrial development bank, in conjunction with the location of industry, would allow this to take place in northern Ontario.

I think that if we considered those areas where a surplus of manpower has developed, through no fault of the people themselves, where there is a large concentration of housing already available without any further federal expenditure, where the business community exists and transportation and other facilities that are necessary for an expanding community, we would see that the only thing that is needed is the direction of the federal government in locating industry in those areas, and the government would be hard pressed to find a reason for not assisting these particular industries.

I know that other hon. members wish to speak on this matter. When other hon. members speak in connection with the establishment of a national location of industry council—or call it some other name, if you wish—the fact that we do wish to direct industry into those areas where through no fault of the community the basic industry has died, or where automation or urbanization have taken place and eliminated the basic employment industry of the people themselves, I will be very surprised if this

resolution does not suffer the same fate as other resolutions and bills put before this house, which have been loved to death. If hon. members support this idea and this principle I hope it will receive some consideration now because, Mr. Speaker, the question is of prime importance to the people of northern Ontario. In Kirkland Lake this year another mine or two will close in the gold mining industry. This is true in all other mining communities, particularly the gold and silver mining communities, where mines are being depleted, with no assistance and no recourse to the development of secondary industry being available to the municipalities which are so desperately looking for assistance in this regard. While in the town of Kirkland Lake a new mine has been found, which will alleviate the serious problem that has been facing these people for many years, the problem is by no means solved because that mine also is a non-renewable resource. If hon. members wish to support the relocation of industry and the establishment of a national location of industry council, with government financial assistance, I hope they will make it possible for a vote to be held on this very important question so that this measure can be added to the government legislation that has already been advertised throughout the country as being aimed in the general direction that I believe the establishment of a national location of industry council is aimed.

**Mr. A. J. MacEachen (Inverness-Richmond):** Mr. Speaker, the resolution moved by the hon. member for Timiskaming (Mr. Peters) has brought once again to the attention of the house one of the major economic problems facing this country. Notwithstanding the action being taken in the current session in setting up various new agencies in the economic field, none of these agencies is equipped or designed to deal with the important problem that this resolution brings to our attention.

It is an obvious fact that there are certain areas in Canada which are suffering from chronic and persistent unemployment. The resolution refers to these areas as surplus manpower areas. These areas have their problems reduced in a period of prosperity because the employment level rises somewhat, but the problems are aggravated in a period of recession. The hon. member who has resumed his seat has referred to the disappearing communities, or disappearing employment opportunities in certain parts of Ontario because of technological changes, changes in consumer demand and other influences. It is a fact that certain communities in all parts of Canada are faced with