

*Regional Development Incentives Act*

industrial development available or likely to be available. It may very well be through helping this kind of industry to establish that the minister will make his greatest contribution in some regions of the country.

We should not assume that an industry may not need this kind of help. A pulp company may not consider going into a part of the country in which there is no tradition of work in the woods and where there are no people used to working skilfully in the woods. It may be of the most vital importance to that area that this kind of work become available and the people learn the skills. A company probably would not go into such an area without some kind of assistance to get through the initial period in which the people acquire the necessary skills in the woods in order to produce the wood for the factory at a competitive price. I urge the minister not to be too rigid in any concept as to the kind of industry for which help will be available. I hope he will consider the service industries and not rule out too quickly industries involved in what he may now consider to be the early stages of processing primary products.

I wish to draw two other aspects of this problem to the minister's attention. The first is the matter of the economic infrastructure of the region. This bill, of course, is concerned with direct help to an industry. One of the purposes of the Atlantic Development Board in the Atlantic provinces was to help improve the economic infrastructure. This involves roads and basic services to industry which may not be available because the area is not highly developed from an industrial point of view. This kind of back-up assistance is essential to rapid growth in any area that is not highly industrialized. I am sure the minister fully realizes this, but I want to make certain he does not believe for a minute that he can satisfactorily generate and sustain successful industrial growth simply by helping a particular plant. It must be a much larger and more highly integrated concept than that.

I am sure the minister understands this, but I want to emphasize with all the force I can that this measure by itself cannot succeed. I regard it as essential, but it must be backed up by a broader concept. In relation to the broader concept, the general tax picture in a region is important. This is obviously the case in connection with municipal taxes which may be applied directly to the industry, but it is also important in terms of the

[Mr. Stanfield.]

general economic climate of the province. For example, it is important in connection with highway taxes and taxes generally. I wish to point out to the minister, as I am sure others have, that a number of the slower growth Provinces in the country found it necessary to increase their taxes very substantially this past year, perhaps the past number of years, in order to provide basic services which in turn are related to growth. The Economic Council of Canada quite properly pointed out that it is absolutely essential to the satisfactory growth of a province or region that there are adequate services in the area such as education, transportation, health and services that the Economic Council of Canada refer to as growth related services.

● (3:20 p.m.)

So, Mr. Speaker, again I suggest to the minister that he is not going to succeed in his program unless the government of Canada takes measures, in co-operation with the provinces, to ensure that there is an adequate level of growth related public services in the area which he is seeking to assist. These should be available without imposing too heavy a burden upon the people or industry of the area. I want to emphasize that as strongly as possible.

In closing, sir, I say that there are questions of detail that the committee will want to examine. I wish the minister well in the administration of this bill. To use a hackneyed phrase, he has taken on a very challenging task, far from easy and in fact very complex and difficult. It will require all the imagination and all the energy at his command. I wish him well, but I hope he will be able to inject a higher degree of certainty into the program than he now appears to have in mind. I think this is absolutely essential. I believe the minister should broaden the program to make it available at least to certain types of service industries which lend themselves to this kind of consideration. It is vitally important that he back up this program with a general program relating to the strengthening of the infrastructure in the province. And finally, Mr. Speaker, it is essential to the success of this program that the province or region concerned be adequately serviced with growth related government services at a cost that is reasonable to the people and to the industry the minister is trying to interest in moving into the area.

**Mr. Max Saltzman (Waterloo):** Mr. Speaker, there sits a very brave man, and I would like