

Regional Development

when another mill is closing down in Kippewa, Témiscamingue? Is that a program that makes sense? To create jobs somewhere and knock some off somewhere else! It is certainly impressive, Mr. Speaker. However, the facts are less dramatic than that.

The Canadian International Paper company in Kippewa, Témiscamingue, decided to close down because for a great number of years it has been coming up with a deficit and all its projections for the future point to deficits. It does not even want to modernize its mill. The mill of Rayonier Québec Inc. (ITT) in Port-Cartier just received a grant. It will start operating only in 1974. So, the CIP in Kippewa, Témiscamingue, is closing down in May, because in May 1974, another mill will start operating because they have a different market and are supposed to sell all their pulp in Europe. Here is the first great scandal.

I find this scandalous. I met the president of the CIP, Mr. Monze, I tried to convince him by telling him, listen, what if we tried to help you modernize, etc. He replied: "No, transportation costs are absolutely prohibitive, we cannot keep on operating the mill. If you want it, it is yours."

The member for York South said that it is because a grant was paid to Rayonier Quebec Inc. that the other industry is closing down. That is the first great scandal of the Department of Regional Economic Expansion.

The second has to do with Duplate of Canada Ltd, which left Oshawa for Hawkesbury. This case is not quite perfect as these are two Ontario municipalities. One of them should have been in Quebec for the case to be more perfect. Anyway, those are two Ontario municipalities and this took place under the old industrial incentives program which was amended because we had no freedom of movement. When a company settled down in a designated area it had to be given the grant provided for in the act. The minister was powerless, but the Department of Regional Economic Expansion came under strong attack. The act was amended and even the NDP members were scared: the discretion given to the minister might be used for patronage. They are convinced of that.

We wanted to change the act because we did not want such things to happen, that is to say that companies would move out and settle elsewhere to obtain government grants. This is a strong argument against the Department of Regional Economic Expansion!

Another is Michelin Tires Manufacturing Company of Canada Limited. The situation is identical. The grants paid to this company were paid under the old act. They had been asked for by Nova Scotia; the provincial government insisted on it, helped this company and I had no choice: I had to pay that grant as provided for in the act. This company has nevertheless created 1,800 jobs in Nova Scotia.

Let an hon. member from Nova Scotia attack that in his province. Let him go there and do so. It would be absurd.

Similarly, hon. members from Alberta will not be able to rail in Grand Prairie against the Procter & Gamble mill. Let them try if they have enough courage.

In any event, the Michelin affair is yet another scandal. That was under the previous act and we had no latitude.

[Mr. Marchand (Langelier).]

There is another case, and it is a perfect one, because it involves two provinces. It is that of Aerovox Canada Ltd. which moved from Hamilton to Amherst, Nova Scotia. Factories shut down in Hamilton. The hon. member for Regina East (Mr. Burton) will surely remember that: Factories are closed in Hamilton in order to create jobs in Nova Scotia.

What is the good of that? And \$235,000 went for that. There is no sense in running a department that way.

So where is the truth, Mr. Speaker? It is so simple. Anybody calling my office over the phone would have been given that information. Only they do not want to know the truth, because it is annoying. The truth is that we heard one day that Aerovox Canada Limited had decided to close its plant in Hamilton, that is all. They did not even ask for the department's permission. They decided to meet the needs of the Canadian market with their American plants. The first thing we knew was that the plant was closed. We thought maybe we could get them to stay in Canada. And so we engaged in discussions with the company as to the possibility of a grant, not so that they could leave Hamilton and settle in Nova Scotia, but to prevent them from leaving Canada and to provide for jobs here in Canada. And that is how we came to offer a grant to the Aerovox Canada Limited Company.

So people cry shame again: The department created jobs somewhere in order to eliminate jobs elsewhere. The facts were available. A phone call to my office would have been enough to know what had happened. There would have been no need for a debate. But people wished to cry shame.

Other speeches were delivered but I will not say anything about them at this stage. There is still a much better example but it would be hard to deal with it, for as far as politics are concerned, dealing with it now would be playing with dynamite. I will keep it for some other time.

I will now talk about Union Carbide Canada Limited, which left Welland, in Ontario, in order to settle in Beauharnois, in Quebec. "Ah, here is a wonderful opportunity for Ti-Jean Marchand to develop industry in Quebec, to the prejudice of industry in Ontario." The case they wanted, they have it at last. Now what is the truth about Union Carbide Canada Limited? That firm decided to settle in another country. And I could name it and if there is no objection on the part of the company, I may do it. The company said: There is no chance of success for us here, in the present circumstances. Here is what we are offered in some other country and we would be interested in going there.

And it was at that point, that we began negotiating with the company in order to find out where they could operate economically, and they chose Beauharnois. What a scandal! A French-Canadian member of the Cabinet is short-changing the industries of Ontario, is eliminating employment over there in order to create jobs in Quebec!

Mr. Speaker, what a whopper! This is the kind of criticism being aimed at the Department of Regional Economic Expansion.

This morning, my hon. friend from Vegreville (Mr. Mazankowski) was overly critical in his remarks. I could recall the details. But let me tell him right now that