

Supply—Industry

them with jobs. They will be destitute, completely ruined and will become unemployed. Such is the present situation, and that is why I say the Minister of Industry has responsibilities.

Such a statement must not be made. We must not create such a situation.

In Montreal, soon, Expo '67 will take place. I tried to convince the minister yesterday that it was not necessary to carry out extensive work in St. Johns. We already have an airport there. All we need is to take immediate steps to modernize it. The municipality of St. Johns is ready to put up half a million dollars for the buildings. It would only cost the federal government \$200,000 or \$300,000 to expropriate the required properties. Do you know what he answered? My estimates do not provide for such work this year; we shall consider it next year. Well next year Expo '67 will be over and there will be no need for it. Action is needed right away. They just refuse to understand.

But for the province of Quebec, for my area, what matters most at this point, I am sure, is not so much giving money to industries as telling them: Here are the facilities, the reserves, income tax exemptions for two or three years, provided you increase your staff.

When a company tells the Department of Industry: Tomorrow morning, we are hiring 50 new employees; and another says: Tomorrow, we will take on 100 new employees. Then the government would be justified, with the co-operation of the Department of National Revenue and the Department of Industry in telling them: very well, we will give you a 10, 15 or 20 per cent exemption, according to the importance of the industry and the importance it is going to have.

It was not my intention to criticize the minister; compared to the other departments in Ottawa, his is a new one. But it is an important, a most important one. Let it have responsibilities and a budget; let the minister have enough power, I consider him competent in the industrial area and let him have employees, technicians and I suggest that the minister enlist businessmen in addition to economists and researchers.

Then, a plan could be drawn up to be applied, not in 20 years but this year, and next year, for such a program, I hope we can see something more in the budget than what there is now. It would not be a department concerned only with handing out

[Mr. Beaulieu.]

grants, but a department that will be creating jobs, careers, and which will bring relief to industry. Taxes now paralysing the development of existing industries are preventing new industries from getting started here and are a nuisance to small industries to the point where many will fail, because they will have to pay 1.8 per cent or half the contribution under the Canada pension plan.

There are small industries which are barely operating, so much so that the boss hardly earns a living wage. You realize there that you have been creating an impossible situation. Obviously nothing can be done about laws of a general nature and applicable to every one, but we should see to it that such industries do not fold up.

For ten years, while I was minister in Quebec, I was criticized, but we applied a policy of "visits and subsidies" to small industry with less than 100 employees. And do you know that in ten years there has not been a single bankruptcy among the industries we have helped. Some of them have developed since; others have expanded considerably, and one of the industries with which I was associated for 15 years was recently sold for \$3,200,000, only because the owner died. Sixteen years ago this man could not borrow \$25,000 from the bank. Why was he so successful? Because he was helped, because the department helped him.

I ask the minister this. His department needs not only technicians and research workers, but auditors and engineers who should give industry across Canada the information it requests free of charge. This would be a most essential service. These people would be paid by the Ottawa government and their services would be available to whoever needs them.

There are research centres in large industries which can afford to hire engineers. When a company pays \$5 million for research, it does not need help. On the other hand, small business concerns which today operate on a marginal basis need an engineer or a chartered accountant to do research. These concerns should be helped.

Why should the government not make available to these people, at its own expense, qualified men who would submit a report. This would not be unreasonably expensive. In two months a good engineer can tell you if a small industry is economically sound, if it should be maintained or closed.

Auditors will look into a business concern, study production costs and tell the people: