

Mr. Speaker, I should like to say a few words about the Canadian Industrial Renewal Board, the creation of which was announced by the Prime Minister of Canada on October 26, 1981. The CIRB's mandate was to help restructure, consolidate and modernize the textile and clothing industries, to renew the economic base of communities heavily dependent on those industries and most likely to be affected by the gradual liberalization of world trade. With that in mind, a regional industrial renewal program spread over two years at least was established to make it possible to reach those specific goals. None of the seven designated regions of Canada was able to benefit from the program during the first year because that is the time it took to recruit a competent work group to analyze the various files, carry out surveys in various sectors and, of course, complete expert studies in order to draw up industrial strategies for each of the seven Canadian regions selected.

In the case of the Sherbrooke-Magog region, that study was not made public until November 24, 1982, when the Gaucher Pringle consulting firm unveiled its economic analysis of the Sherbrooke-Magog region and recommended an industrial renewal strategy based on the development and promotion of high technology industries in the fields of micro-electronics, metal and plastic processing, and medicine related undertakings. In other words, the designated regions did benefit from the program—although during barely one year rather than two—and in fact it has been only ten months or so since our regions have been in a position to avail themselves of this special program.

There are obvious advantages accruing from the CIRB program as compared with the new Industrial and Regional Development Program. These advantages are as follows: The groundwork done by the officials of ITC-DREE is concerned with all Canadian Provinces, while the studies made by CIRB officials is concerned only with the seven designated regions, namely Cornwall, Hawkesbury, Trois-Rivières, Shawinigan, Victoriaville and Plessisville, Valleyfield, Drummondville and Sherbrooke-Magog. Indeed, the Federal Government is making a more generous contribution under the CIRB program than under the IRDP, as the former allows for grants to be made for the purchase of industrial land and for the payment of pre-production costs and joint services, while the second provides assistance merely for capital expenditures and equipment costs when an investment project is being considered. The CIRB program also covers a more interesting field of intervention since grant offers may be made to business concerns, which would not be the case with IRDP.

The CIRB Board of Directors, which have full jurisdiction over offers for the implementation of projects, make their decisions very quickly, and this, of course, is much more convenient for the industries than the methods used under the IRDP. This was the case for the Tie Communications Company and Travenol, which set up plants in Sherbrooke recently.

Finally, a payment may be made by the CIRB with less than 25 per cent of the assets being required, while, under the new program developed by the Department, no payment may

*The Address—Mr. Pelletier*

be made until 30 days after commercial operations have started. For certain projects, this means very high additional interest costs in cases where several months elapse between the acquisition of the equipment, its installation and the beginning of production.

Since the CIRB regional program was implemented on April 8, 1982, the Sherbrooke-Magog area has had about twenty industrial projects accepted, which could create nearly 700 jobs and generate over 55 million dollars in investment, a remarkable achievement in view of the present economic situation. These projects partially compensate for the 1,300 jobs lost in Sherbrooke and Magog during the last two years in the textile, clothing and shoe industries.

This is why, Mr. Speaker, the City of Sherbrooke and the City of Magog are asking the Canadian Government to maintain for at least another two years their designation as special CIRB zones so that the industrial renewal efforts can be kept up in areas so dependent upon the textile, clothing and shoe industries, which have suffered more than others from the permanent job losses in this sector during the last two years.

Indeed, Mr. Speaker, on January 24, I stated the following in this House:

Together with my colleagues from the Eastern Townships, we urge the Canadian Government to consider as soon as possible a request submitted by the City of Sherbrooke and the City of Magog to have this outstanding program, which has helped our region to make remarkable progress in a period of economic difficulty, extended for at least two years.

Mr. Speaker, I am happy to see that the Minister in charge is now in the House. I know that he is listening closely to what I say. To support my case even more, I point out that the editor of *La Tribune* recently published an article entitled "CIRB better than Lotto 6/49". He said, and I quote:

If the CIRB program were extended for a few years, other major industries, such as Tie Communications, could locate in the region and give it an orientation which, by its very nature, would incite other electronics companies to settle here.

I recently received a letter which was sent to the Right Hon. Prime Minister (Mr. Trudeau). It came from the Chairman of the Sherbrooke Chamber of Commerce, who said the following:

The efforts of the various economic agents in the Sherbrooke and Magog areas in the last two years were beginning to pay big dividends with the implementation of the CIRB program. We fear that cancellation of this program could greatly reduce the impact and the results of these efforts. We hope that you will give special attention to our request and that the extension of the CIRB program will be announced shortly. With this in mind, Mr. Prime Minister, we shall be happy to welcome you in Sherbrooke to make this announcement.

● (1530)

Mr. Speaker, I hope that the Government will consider this legitimate request from our area to maintain an excellent program which, according to all local economic agents, is certainly the best program that has been developed by the Federal Government in recent years.

Mr. Speaker, I would now like to say a few words about the Regional Economic Summit to be held in Sherbrooke, probably next November. I should like first of all to refer to remarks which I made in this House on November 7, 1981 and in which I suggested a regional economic summit, and I quote: