

but the question must be asked, is the difference in the incentives really large enough to attract industry to certain parts of the country as compared with, let us say, Montreal?

As I stated before, Mr. Speaker, the Department of Regional Economic Expansion is not looking at other departments and telling them exactly—

Mr. Perrault: The way it is.

Mr. Comeau:—the way it is. I thank the hon. member. It should tell them, "What you are doing is not right. You should look at things this way." It should do this with the Department of Transport, the Department of Industry, Trade and Commerce, the Department of Fisheries and the Department of Public Works.

With respect to the Department of Public Works, we have been trying to have a little wharf built in my area at a cost of \$60,000, but that department tells me it is not economically feasible. For what more can the people living there ask? They don't need a cotton factory or a car factory; they need a wharf. If the Department of Regional Economic Expansion does not tell the Department of Public Works that a wharf is needed in the area, then we will not get it. I have written to the Department of Regional Economic Expansion several times requesting it to impress on other departments what they should do.

What about the relationship of this department with the Department of Manpower? That department says it is going to retrain people. What is the use of training people if you don't have jobs for them after they are trained?

Some hon. Members: Hear, hear!

Mr. Comeau: The Minister of Regional Economic Expansion was supposed to be the minister with the greatest power in the country. It was said that he was really in charge of things. He is not really in charge of things because he has not been dealing with the other departments, at least to my satisfaction.

Mr. Perrault: You're hard to satisfy.

Mr. Comeau: This amending bill will not hinder anything, but the minister should look again at the title of his department. He ought to apply regional policies to particular regions of Canada.

Mr. Allen B. Sulatycky (Rocky Mountain): Mr. Speaker, at the outset I want to assure the minister that I am not going to ask for any wharves in Alberta. However, I do have some experience with the regional economic expansion program. In my riding we have a portion of the designated area in Alberta, and a portion of the special area in Alberta, as well as a large ARDA area. I have also had experience with the former AIDA program, because two of the areas designated under that program were in my riding. So, over the last two and a half years I have gained some knowledge of how the incentive programs have functioned and the effect which they have had.

Regional Development Incentives Act

I was not present to hear all of the speech of the hon. member for Battle River (Mr. Downey), but I would like to start mine by congratulating the minister on the very large grant announced yesterday for the province of Alberta, one of the largest to date in Canada, some \$12 million for the construction of a pulp mill, Alberta's second pulp mill, near the city of Grand Prairie. This is a very clear indication of the fact that the department is cognizant of the needs of the various areas of the country.

I am not about to criticize the amendments to the act proposed in this bill. I recognize that basically they are designed to deal with the serious problem of unemployment, and that all regions are not going to benefit equally from them. I am heartened to see that the greatest benefits will go to the areas of highest unemployment, and that is exactly as it should be.

It would be unreasonable, unfair and downright foolish of us to expect that every area should benefit equally, and that those areas which have the least problem with unemployment should get as much as those that have bigger unemployment problems. I understand that under the amendments Alberta may not get as much as the Maritime provinces or Quebec, but the fact that a \$12 million grant was announced for Alberta within the last few hours shows the department makes no differentiation between the areas getting grants.

• (3:00 p.m.)

I want to deal briefly with the way in which the incentives program has operated in Canada during the last few years. In concluding I should like to make three points regarding this system and the way it should operate in the future, suggesting a changed system which in my opinion would be more effective and much better in the long run. In the Crowsnest pass area of my riding certain industries were given grants as well as tax concessions and tax holidays. As a result of these considerations, industries established in areas which were depressed at that time, were there was a high rate of unemployment and were there may have been a very low, non-farm income.

When coal was "king" this was a very bustling area of Alberta, supplying the railways with fuel. However, with the demise of the coal industry the Crowsnest pass area suffered very serious unemployment and was designated. As a result, a number of industries received grants and tax concessions enabling them to establish manufacturing plants in the area. Because housing was scarce and the infrastructure required for industry was not adequate, these industries ran into difficulties. In the last few months one industry has terminated its operation and is moving its plant to Calgary.

The net result of this, Mr. Speaker, is that the expenditure of the taxpayers' money on this particular industry was unwise and unprofitable. It may have employed a few people but it did not provide any rejuvenation of the economy.

The only rejuvenation that did take place was through the revival of the coal industry and not because a few