

*Income Tax Act*

possible mobility of certain regions in relation to other regions where there is a better growth potential. One of the specific things we need to know is more in terms of, you might say, individual watersheds of industrial production. We need to know much more about the effect of the establishment of a new plan upon the real growth in a number of jobs.

One of the things which is really ridiculous in relation to my area is that we have made a study, a study encouraged by the federal Department of Labour, although two years ago they were not able to give us any statistical help or the help of any economists. We were not able to get statistical help from the provincial government either, because it was no better fixed—probably worse fixed—in this field than the federal government. We established a commission of an informal kind which was taken quite seriously. It published its report and we now know how serious is the situation. Yet we could not possibly come close to qualifying as a designated area because of the peculiar kind of economic base which we have to our industries.

One of the things which has happened in the woods industry over the last five or six years as a result of the introduction of mechanical techniques is that more and more wood is being cut in the pulp forests in the summer instead of in the winter. As a consequence of this, the summer, which used to be a slack period in terms of bush work, is now a busy period and the winter is the tough period. The winter is also a tough period in terms of people who work in the transportation industry and the grain trade.

This particular transition or change in the woods industry is not really reflected as yet in the statistics under which designated areas are worked out, yet it is a fundamental fact that it is one of the flaws in our economy at the present time. We have a tremendously high number of unemployed in the wintertime. In the summer things go relatively well. We happen to be an entrepot of the west and most of the big traffic from coast to coast goes through because of the fact that we get this summer work in the woods cutting the pulp for our paper mills.

The situation as determined by our north-western Ontario commission on employment is a rather grim one. It may be put this way in very simple terms. They say that between 1951 and 1961 the twin-city population increased by over 25,000 persons. In other words, we were really in on that great big boom in the early fifties. Young people came in and married, a lot of homes were established, and we are now being flooded by school construction to meet the burst of

children in the high schools. Yet although we should be planning and taking advantage of incentives to meet the problems two, three and four years ahead when these people go out into the market, because of the particular statistical base used for this formula we will not be able to take advantage of these incentives at all. This report points out that our population has increased by 35 per cent and that job opportunities have increased in that period by 12 per cent. The immediate result has been an increase in unemployment, particularly since 1956. There are about three times as many unemployment insurance registrants now as there were in 1956, and over six times the number in 1951. The population increase will have its major effect on employment between 1963 and 1970. Here is the point: our crisis is almost on us, but it is not reflected in the present statistics. Yet now is the time in all reasonable terms to establish plants and receive the incentives offered those kinds of projects to get under way. We really cannot get any advantage out of this present formula. The report goes on to indicate that by 1966 there will be at least 1,200 extra job seekers coming each year from the schools. Our present rate of increase in jobs is about half the required rate. It is obvious that our most strenuous efforts will be necessary to meet the employment problems of the sixties, the report concludes.

The hon. member who lives in Guelph—I have forgotten the name of his constituency—raised again about the problem of Brantford compared with Guelph and Galt. I have some sympathies with him, partly because of the fact that Brantford, if it is an area which can be properly designated, happens to be a fairly concentrated industrial region, where areas are short. On the question of labour mobility, what are we going to do in Port Arthur when people cannot get work and there is also nothing in Fort William? Your nearest industrial centre is 500 miles west to Winnipeg, or 850 to 900 miles to the east down to Toronto or over 600 miles to Sudbury. This is a terribly difficult factor in terms of encouraging people to move and to exchange. As a matter of fact, the mobility in our region has been very high. One of the reasons is that we happen to have the kind of people who came in and settled fairly recently in our area, and who are prepared to go out and look for jobs. Therefore they will head out. But this is going to become much more difficult for these young people, particularly the ones coming along who are not going to be able to take advantage, perhaps because of a lack of talent, of some of the more attractive opportunities. I do not know what we are going to do with these people,