

Regional Economic Expansion

ic Expansion, the sole purpose of which was to assure a greater degree of equality and justice for people such as those I represent so that our dream of a continuous and varied industrial growth could become a reality and a steady stream of new job opportunities could be provided for the young and old alike. This progress, along with a solid agricultural base, is giving the people and the area I represent the kind of confidence for the future we all want to have.

Allow me now to be more specific. What has happened since April of 1970 when the designation was made? I refer in my participation this afternoon to only the eight townships I represent, the townships of Westmeath, Ross, Bromley, Admaston, Horton, McNab, Bagot and Blythefield along with towns such as Cobden, Renfrew, and Arnprior. I am sure other speakers will follow me in this debate in respect of areas of the county which they represent. I hold in my hand at the moment a sheet which lists some 15 different grants which have come into my portion of the county alone. I shall not take the time of the House this afternoon to go through all of these, but they cover a large section from Waba at one end into Arnprior, Renfrew, Cobden and Westmeath. In other words, it is pretty well distributed over the entire area of my constituency. I shall simply refer to the total value of the regional economic grants approved for Renfrew County. The amount under this designation since 1970 has been \$3,313,706; in other words, just over \$3½ million of federal aid to create employment and sizeable job opportunities in this whole area. I will deal with this in more detail later. The momentum has just built up and some announcements of real significance will be made in the very near future.

I believe it might be wise to place on the record this afternoon something which confuses some members of the public concerning regional economic expansion designations. When a grant is approved some persons assume that somehow the new industry has received into its hands the amount of money announced. That is not the case. When the federal government announces the approval of a grant, this means simply that representatives of a certain company have come to the government, have said they propose to establish a facility to produce this many units of a certain product and want to know what proportion of the capital cost the government is prepared to contribute if they locate in a slow growth, designated area.

After analyzing the market for the product concerned, after analyzing the need for it and after analyzing the possibility of producing it with the facility suggested, the government will either approve or not approve a grant. In the case where a grant is approved the important point is this. It is then up to the company to go out, raise the funds, build the facility and purchase machinery, equipment and so on. It is only when the new facility comes into production that the money is indeed and in fact paid out. Even then the whole amount is not paid out. Under most of these plans, 80 per cent of the grant is paid out when the facility first comes into production and the other 20 per cent in 36 months or three years. The reason is very obvious. It is to protect the public purse from some fly-by-night operator who might come in and not have a worthwhile company. He may not be prepared to go forward with the project. There is no way any member of this

[Mr. McBride.]

House would want to see the government provide money without ascertaining that the company is a worthwhile company and ready to put in some of its own money and actually go forward.

When I speak of \$3½ million in federal grants being approved I mean just that. They are approved. All the money is not paid out yet, only to those plants now in production. This is the main point of the motion before us today. It takes some time for industrial development to occur. It takes time to bring in these facilities. Among the 15 I have listed here—and again this is only in my portion of the county—a few have not yet gone into production for one reason or another. Always there will be some which may never go into production. Therefore, it is essential and incumbent upon the government, in my opinion, that this designation be not terminated on June 30 as now scheduled but be extended beyond that date. Ideally the designation should be continued for another three years, but at least for an absolute minimum of one and a half years or 18 months. That is the purpose of the motion I have moved today. It is to encourage the government, and to set out in this Chamber the need for having this designation extended.

It takes time to become located. Now, more industrial growth is coming into the county, but it has taken time for the people on the local scene to get organized in order to take advantage of the assistance the federal government has made available to the county. In the Renfrew County area, we have overcome the set-back caused by the closing down of the Renfrew Aircraft and, indeed, the spin-off effect on Haley Industries and some of the set-backs which came to the area because of the pressure on the aircraft industry. However, the long-term advantages of a viable and flourishing forest-based industry have not yet been achieved. The dramatic intervention of the federal government is still needed because the forest industry has not yet reached a point at which this resource can be properly harvested and moved forward. I see in the House the hon. member for Frontenac-Lennox and Addington (Mr. Alkenbrack) who has within the boundary of his constituency a greater forest area than I have in mine. This is also true in the case of the hon. member for Renfrew North-Nipissing East (Mr. Hopkins). Possibly they will wish to take part in this debate and therefore I shall not refer further to the forest based industries.

I mentioned at the outset of my remarks that in 1969 I asked to have Lanark County included in the designated area. The situation in Lanark, in 1970, was ruled to be less severe than in Renfrew. Only Renfrew County was designated. The motion before us today refers only to Renfrew County. It was placed on the order paper on February 23. Just five days later, on February 28, 1972 we were all shocked to learn that Findlay's Limited in Carleton Place announced it was closing down as of the end of May. That announcement followed all too closely on the heels of another very negative announcement that Digital Equipment intended to withdraw from the town of Carleton Place. The point I am making is that Carleton Place is not in Renfrew county, it is in Lanark county.

• (1710)

As long ago as December, 1969, I stated in this chamber that in my opinion the designation was needed in both