

*Regional Development Incentives Act*

I mentioned earlier the delay of 14 to 15 months in the city of Winnipeg obtaining permit to build the Sherbrook-McGregor overpass at the CPR yards. This delay was due to the federal government insisting on another study. This cost the city of Winnipeg \$2 million in cost overrun. The federal government is obligated to make up that \$2 million, since the city of Winnipeg did not ask for a study or cause the delay. It asked for the permit about 15 months ago and it was stopped by the federal government. This cost overrun is a direct responsibility of the federal government because of the delaying tactics in which it indulged. I want it on record again this afternoon that there will be a formal application coming from the city calling for the federal government to reimburse the city for this \$2 million cost overrun. I hope ministers are looking in their envelopes right now to find this \$2 million in order to reimburse the city of Winnipeg.

This type of confusion and delaying tactic, calling for more studies, has caused nothing but confusion. The city of Winnipeg has co-operated over the years in these studies, but that has got it no place. There has been \$1.1 million spent on studies for rail relocation. The city of Winnipeg and the province of Manitoba do not want any more money spent on studies in respect of applications for funds, particularly if we find that the money is not available.

When the minister gets on his feet to speak on this bill we want him to explain this envelope system and to tell us what kind of firm commitment he can make that the money will be available when the government receives an application. The province and the city are entitled to this explanation. I am sure hon. members will agree with me in this regard. This is the kind of firm commitment all of the provinces, not just Manitoba, will need. I hope the minister will go into some detail when he debates this matter, Mr. Speaker.

[*Translation*]

**Mr. Rémi Bujold (Bonaventure—Îles-de-la-Madeleine):** Mr. Speaker, I take pleasure this afternoon in joining the debate on Bill C-35 to amend the Regional Development Incentives Act. Given the present economic situation in Canada, Mr. Speaker, and most particularly in eastern Canada where people are experiencing enormous difficulties, these subsidies will have a tremendous impact.

During the last few weeks, I heard the Minister of Regional Economic Expansion (Mr. De Bané), especially in committees, explain the openness he intends to show towards the committee members and also towards the other parties in the House. He mentioned his intention of acting outside the bounds of this House to get closer to the people and the various economic agents that we find in that environment. I could only but be pleased by such an attitude of openmindedness on the part of the minister.

Mr. Speaker, when one lives in peripheral areas, in remote centres where people find it difficult to be in daily contact with the different levels of government, and when one sees that in a particular department, beginning with the minister and on

down the ladder through all the echelons of the administration, there is indeed a desire to get closer to the people by providing more information and ready access to the different systems of governments one finds cause for rejoicing.

● (1430)

This bill, which aims at extending the time limit for the provision of development incentives, is extremely important. I mentioned earlier a certain openness of mind and better communications with the population. In eastern Quebec, and especially in Bonaventure—Îles-de-la-Madeleine, we have witnessed a great experiment on the part of the Department of Regional Economic Expansion, which started with the desire of the minister to delegate a few officers to examine on site, with the people, the industrialists and the economic development officers, what type of development could be achieved through the department and what type of projects could benefit from the bill now under consideration.

After departmental officials returned from a three-day visit to the Magdalen Islands, they were able to pinpoint projects which would be eligible under the RDIA and would cost \$8 million. As I said, Mr. Speaker, it is a good thing to go to the people, especially those in areas remote from centres like Quebec City, Montreal, St. John's, Halifax, or other major Canadian centres to explain what the government can do, because we can have very positive results since businessmen in these areas are aware of the various programs, but unfortunately they often do not know how they can apply or how to get through all the red tape to get what they want.

Admittedly, Mr. Speaker, we can only support the new policy that the minister wants to implement in his department, especially as concerns this bill since, because of this spirit of openness, our businessmen will be able to benefit from the programs placed at their disposal. Because of this experience which I mentioned in the Magdalen Islands, the minister during his last visit was able to announce incentives of \$237,000 which will create 50 jobs within a small area. Mr. Speaker, this shows the importance of this bill and the importance of extending admissibility to this program for another five years. When we note that such a small amount will create 50 jobs, it is easy to imagine what we can achieve with grants of \$1 million or \$1.5 million in a region where unemployment reaches 40 per cent and sometimes 60 per cent. Indeed, this extension of five years will enable various industrialists to become more familiar with this legislation and to make applications which can promote economic development.

Also this morning I listened to my colleague from Central Nova (Mr. MacKay) refer to the role of DREE and the only way that department's role could be envisioned in relation to the others. I am in total agreement with his suggestions in that respect, and I could tell him that we are now proceeding on Magdalen Islands with an experiment that hopefully can illustrate what has been said on that subject.