

Supply—Industry

● (4:40 p.m.)

Those are the considerations that I draw to the minister's attention. It was rather dismaying that we did not, immediately following the Thompson report, the substance of which I presume has been known to the government for some considerable time, receive a statement of policy regarding that particular program. In the fields of the Departments of Industry and Defence Production there is an opportunity now to retain in western Canada the skilled personnel who have done such useful work for the air industry over the past years. Why should these people be displaced and dispersed?

The Thompson report in dealing with the military matter I was talking about states at page 129:

The total volume of all military aircraft work (including helicopter work), available in Canada was estimated by Mr. Elbert Cheyno of Los Angeles, appearing on behalf of the province of Manitoba, as involving some four million hours of work per year. Inquiries made by the commission indicate that there is likely a somewhat lesser number of work hours than estimated by Mr. Cheyno.

I am not going to quarrel in that regard, but there is a large number of work hours available.

At page 130 the commissioner states:

An annual workload of some 800,000 hours would be required to maintain a staff of approximately one thousand men at the AC Winnipeg o/h base.

That is the present enrolment there. The report goes on to state:

To maintain existing workloads at Standard Aero and Bristol and the AC base would mean that approximately one-third of all military aircraft work available in Canada would be done in Winnipeg. Such a transfer of work would require disregard for the operating areas of the aircraft, and their cruising ranges, the proximity of established bases in such areas, and the cost of duplication of specialized skills and equipment.

Standard Aero and Bristol are private enterprise operations in the same field. The report then goes on to state:

The aircraft industry with its related activities is dynamic and rapidly changing.

That certainly applies with regard to defence matters. I suggest to the minister, and I will conclude before you rise, Mr. Chairman, that in the various fields there is a real opportunity for him to apply in a practical sense an immediate policy for regional development as outlined by the Prime Minister. This is a policy with which I think most Canadians are in agreement.

[Mr. Churchill.]

Mr. Jorgenson: Mr. Chairman, in the few minutes that are available to me before five o'clock I should like to deal with one aspect of the minister's estimates as it applies to the constituency I represent, and particularly to the Pembina valley area. I agree with the hon. member for Winnipeg South Centre that the minister's department is a very important one. In future years one can envisage how it can play a very important role in the development of industrial areas across Canada.

The hon. member for Lotbinière spoke with some considerable vigour about the virtues of the minister. I do not quarrel with his energy or his ability, but unfortunately in so far as the Red river and Pembina valleys are concerned, a great deal of this energy is expended in running around in circles. We would not be so chagrined if we knew the department was just doing nothing in that area, but what in effect is happening is that the area development program as it applies to the province of Manitoba is creating a situation in which the municipalities, in attempting to locate industry in their areas, find themselves competing against one another.

This competition has been taking place for some considerable time. What the minister's department has done under the area development program is place a very serious obstacle in the way of certain municipalities which are not covered by this program in competing with other areas which are covered.

If one looks up the salary figures for the area of the Pembina valley, which comprises census divisions two and three, he will find that the total average income per family in those two areas is \$3,598 and \$3,608, respectively. In the Winnipeg census district the average family income is \$5,899, and in census division four, which is the area comprising Brandon, the family income figure is \$3,794, which is in excess of the incomes of census divisions two and three.

By what criteria is the Brandon area established as a designated area, other than by using national employment services figures? In our opinion the use of those figures as a criterion for designating an area is manifestly wrong because the entire southeastern part of Manitoba falls into the Winnipeg census district.

Because of the fact that the metropolitan Winnipeg area is an area of substantial growth each year—perhaps not as spectacular as some areas in Canada—it is able to accommodate the labour force which lives in the