tion of the Corner Brook area and the Avalon Peninsula, are designated. These areas are covered by census divisions 02, 03, 04, 07, 08, 09 and 10. This includes communities such as Happy Valley-Goose Bay, Port aux Basques, Trout River, Bona Vista and Marystown.

In the Yukon and the Northwest Territories, the government has designated all of these territories as specially designated areas under the program. This, of course, includes communities from Whitehorse and Old Crow to Frobisher Bay and Pangnirtung.

You will note that in this list of eligible areas the cities of Grande Prairie, Thompson, Sept-Iles and Rimouski are excluded. Understandably, residents of these areas would like the program to apply to them. But it must be remembered that the program is limited in its application to some five per cent of the Canadian population. Also, the areas designated are those most in need of assistance.

Urban centres generally offer greater economic opportunities than do rural or isolated areas. This is the case with the cities in question which do have more employment opportunities and other economic advantages than in their surrounding areas.

There are two other points I would like to address before leaving the matter of statistics and eligible areas. The Minister of Regional Economic Expansion has been asked why Statistics Canada data have been used and whether changes will be made to the designated areas. If I may respond on behalf of the minister, I would point out, as far as the first matter is concerned, that Statistics Canada provides authoritative, national data on population and other factors which have been used as the bases for things such as this program for many years. In addition, DREE wants to evaluate the achievements of the program over time, and census information provides the best means for doing this.

As to changes to the eligible areas, I would mention that the minister has indicated that he will be closely monitoring the program and that he will not hesitate to make improvements if, and when, these become necessary or appropriate. However, the minister has also stated that before any changes can be made the program must be subjected to an evaluation. Therefore, given the need for time over which to make this evaluation, the minister cannot foresee my changes to the eligible areas in the near future.

Speaking of evaluation, what are the benefits expected from the Special Investment Tax Credit program and against what will this evaluation be made? As envisaged, the benefits will be both economic and social in nature. By this bold initiative in regional development, the federal government is demonstrating, in a significant way, its interest in people living in economically disadvantaged areas of Canada. It is offering new hope to these people and it is challenging the private sectors to take advantage of this very generous offer and to make industrial investments which will be of benefit to themselves and to the people of the areas in which projects are located.

The economic benefits which will accrue from these investments are manifold. Employment opportunities will be generated in areas where such opportunities are now extremely limited. The investments themselves will have spillover effects, as well. Because the investment must be of a manufacturing or processing nature, jobs will be created in the primary and tertiary sectors of the economy. That is to say, jobs will be generated, for example, in the harvesting of resources to be used in the manufacturing process. They will also be generated in the service sector in responding to the need, for example, to supply or repair equipment in the manufacturing operation, or to provide personal services to employees.

The measure of success of the program will be, in part, the extent to which the program lowers unemployment rates and increases per capita incomes in the census divisions where it applies.

These benefits will, of course, be measured against their cost. At this point we can only estimate what the cost will be since we do not know how many firms will take advantage of the program, nor do we know what the size of the projects will be. The government is hoping that both the number and the size of projects will be large because the benefits to the areas of need will, of course, reflect this scale.

However, when I state that the costs can only be estimated at this time, I should hasten to add that the program must be developed with cost considerations in mind. For example, I referred earlier to the fact that there would be no duplication of benefits, in the sense that a firm cannot claim both capital cost allowances and the 50 per cent tax credit. Similarly, the Department of Regional Economic Expansion, as well as other federal government departments, will take this new program into account when a firm applies for a benefit from other discretionary programs. That is to say, in deciding whether a grant, repayable incentive or loan guarantee should be offered under DREE's Regional Development Incentives Program, the minister and his officials will decide whether such an inducement is needed in addition to the 50 per cent tax credit in order to get the firm to establish, expand or modernize a facility in an eligible area.

I think it is important to point out, as well, that the program is aimed primarily at profitable enterprises—firms that have demonstrated their ability to succeed in the marketplace. Therefore it can be expected that the projects generated by these firms will be viable ones. Therefore the government can expect to receive increased corporation taxes, as well as personal income taxes that will become payable from residents of the area—some of whom may have had to rely on government assistance up until the present time.

The Minister of Regional Economic Expansion will be assessing the costs and the benefits of this program over time, and will provide information both to the House and to the public in the light of this experience.

I have not dwelt on the technical aspects of the Special Investment Tax Credit program, but perhaps I should make a few remarks in this regard. The program became operational on October 29, 1980, in the sense that the capital costs of