

*Regional Development Incentives Act*

ments of \$815 million. Altogether, more than 150,000 jobs have been created and \$4.3 billion has been invested by private industry. These are jobs and industrial development in those parts of Canada where it really matters, its regions. Strengthened regions mean a stronger Canada.

Too often we forget that regional development programs must be seen in broad terms. The whole country benefits when Canada is made stronger through its regions. It is to this strengthening of Canada's economic base in those areas where it is needed that DREE's industrial incentives program is dedicated. Together, they form DREE's regional development incentives program, a program which has, in my opinion, a remarkable success record. Some 90 per cent of the projects undertaken through the program are successfully completed. To me this shows a good use of taxpayers' dollars.

In the past ten years some 6,000 projects have been assisted under the regional development incentives program. These are projects in a wide variety of industrial sectors, ranging from the food industry to textiles and clothing, from fish processing to metal fabricating, and from the chemical industry to the furniture industry. More than 80 per cent of these projects have been with small businesses, businesses that needed financial assistance in the form most often provided by the program. These grants provided funding when it was most needed and helped many worth-while projects get off the ground.

In many cases these projects did more than merely get off the ground; they achieved results that were even better than first projected. I have already indicated that more than 80 per cent of the projects have involved investment costs of less than \$2 million or 100 jobs. These are projects which are approved locally and which are often initiated by local entrepreneurs. In western Canada one will find that this program has had the same effect. I think that all hon. members will clearly agree that this is a program which is attuned to regional needs and designated to attract successful and viable industries, that it is administered by people who are good judges of the kinds of projects which will be successful.

However, I am sure that these people will be the first ones to agree the DREE cannot rest on its present performance to date, albeit a department which is celebrating its tenth anniversary as a department this year. In order for the regional development incentives program to be as effective as possible, it will be necessary for DREE to work even more closely with industry and tailor its programs to those industries which have not been attracted by the program to Canada's slow growth regions. Increased flexibility and a more active approach will, no doubt, be essential considerations for the minister as he puts together the broader department-wide legislative package he proposes to place before the House at a later date.

As hon. members know, the minister recently tabled regional objective working papers in the standing committee and, indeed, has commenced in a very serious way the preparation of the broader legislative package to introduce to this House which I referred to earlier. However, today we must consider the amendment to the Regional Development Incentives Act which is before us. As it has been said, we cannot wait for the

introduction of the proposed legislation. In order for the regional development incentives program to continue its contribution to reducing regional disparities, we must act now.

I would like to point out to the House a number of factors which should permit DREE's industrial incentive program to be especially effective at this time. These are: one, the increased climate of stability in Canada; two, the edge in foreign markets provided by the value of the Canadian dollar; three, the availability of Canada's energy and natural resources; four, the improvement of Canada's labour force in terms of its skills and expertise; and five, the spill-over expected from major undertakings in the 1980s in various parts of Canada in energy and resource development, aircraft and electronics, and so on.

● (1220)

Furthermore, given the construction periods required, some of the projects funded under RDIA will be coming into commercial production just in time to take advantage of the economic recovery and growth in demand forecast for the world market. As a consequence, Mr. Speaker, Canada has some very attractive opportunities to put before entrepreneurs from both inside our borders and beyond. Mr. Speaker, I would therefore ask this House to give its wholehearted support to Bill C-35. The speedy passage of this amendment will permit the government to continue a program which is making a very real and worth-while contribution to the reduction of economic and social disparities in Canada today.

With the help of each and every member of this assembly—each working as a minister of regional economic expansion in his or her own constituency—we will be able to make this country of ours a better place to live and a better place to work, no matter what part of Canada we call home.

I should like to conclude by expressing our appreciation for the co-operation of members in committee as well as their consideration of and support for passage of this amendment, the much needed time increase set out in Bill C-35.

**Hon. Elmer M. MacKay (Central Nova):** Mr. Speaker, I have the distinct pleasure, albeit unexpected, of responding to the Parliamentary Secretary to the Minister of Regional Economic Expansion (Mr. Harquail) in regard to the passage of this bill. I should like to say to the parliamentary secretary at the outset that, as far as we are concerned, we have no objection to co-operating so that the legislation may be handled expeditiously.

I think we should take this opportunity, however, to reflect briefly on some of the things that must be done fairly soon in more comprehensive legislation in order to revise the concept of regional economic development in this country.

As the parliamentary secretary said, the department was created about ten years ago. Sad to say, in the intervening decade, although the department has accomplished much, there is a great deal it has not been able to do. It would appear that it has gone from what was a very high priority and