

Regional Development Incentives Act

had always previously been one of great ministerial discretion, I do not think I shall be accused of prejudice against an independent appeal process. But this is very different kind of legislation from the Immigration Act. The issues are not ones of law and individual rights but of economic judgment in relation to public policy. In such matters the proper point of final argument lies not in any quasi-judicial body but in this house, to which I am responsible for the administration of the legislation. I would be happy, Mr. Speaker, that the case of any applicant who feels aggrieved should be publicly discussed by the appropriate parliamentary committee. These, I suggest, are the proper and adequate safeguards against any abuse of the flexibility which is essential to the purposes of this legislation.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, this is an important piece of legislation and one for which we have been waiting for some time. It is important that it be brought into effect with whatever changes the house may see fit to make.

It has taken about a year to get as far as this, a long time it seems to me. The bill before us represents the measure which the minister is placing before parliament with regard to industrial incentives in areas of slow growth. Subject to refinement as the measure proceeds through the house, it is my view that we should get on with the job. Our main effort should be to improve the legislation and to prod the minister and his staff into a faster rate of activity than has been manifested to date. I believe a measure such as this to be in the national interest. Indeed, I hardly think it needs justification at this point; it is a measure to encourage industrial development in parts of Canada where there are substantial problems of unemployment and under-employment, together with the potential for development.

As the minister has quite properly pointed out, the bill does not make provision for continuing subsidies. It provides, rather, for an initial encouragement designed to offset the higher initial or starting up costs of an industry locating in a part of the country in which there are higher initial costs as a result of the lack of a highly developed labour force, or other factors.

This bill does not provide for continuing subsidies such as those involved for example in the tariff policy which make a continuing subsidy available to industries which receive

[Mr. Marchand (Langelier).]

protection. It simply provides that an industry which is prepared to locate in an area of slow growth should be able to do so on somewhat the same basis as an industry commencing activities in an area of more rapid growth. It recognizes, quite properly in my view, that an industry going into an undeveloped area industrially faces higher starting up costs. I think this is fully consistent with the national interest and properly administered ought to lead to a better utilization of our human and natural resources in this country, and therefore to the proper balancing of national and regional interests. Consequently, I think the measure is well justified in the national interest.

• (2:50 p.m.)

I am pleased, too, that the bill does recognize, first of all, the importance of grants toward the capital cost of industries in areas of slow growth. Secondly, I am pleased that the bill finally recognizes the importance of giving some help during the early break-in operations of a mill or plant which are usually related to the cost of training new personnel and working them into an effective unit. Thirdly, I am pleased that the bill recognizes the importance of the minister and his department consulting fully with the provinces before designating areas. I hope it will be the policy of the minister to consult fully and carefully, and on a continuing basis, with the provincial governments so as to ensure to the fullest extent possible that the development programs of the federal government and the provincial government concerned are fully co-ordinated. I think this is of the utmost importance.

I may say that some of us have been pressing these concepts upon the government of Canada for some four or five years. Actually, the concept of this kind of grant relating to assistance on the capital side, assistance on the secondary side to help meet the cost of properly getting going—which is recognized in the bill—and the concept of growth centres were recommended to the governments of the four Atlantic provinces some 4, 5 or 6 years ago by a distinguished economist in the United Kingdom who was retained for the purpose of making such a study. I refer of course to Professor Wilson, the Adam Smith professor of applied political economy at Glasgow University. These recommendations received a cool reception at the time in Ottawa. The general reaction was that Professor Wilson may understand the economy of Great Britain, but perhaps he has not fully taken into