

*Proceedings on Adjournment Motion*

The No. 3 Paper on north-western Quebec tells us the following:

Economy consists in the over-all activities of an area or of a country, assessed on a monetary basis. Those activities are divided into two classes: production activities and consumption activities. Production includes three sectors: primary products, secondary products and third products.

The primary sector consists in the development of natural resources. In our area—

The Abitibi area—

—it includes mines, agriculture and forestry.

The secondary sector is the one in which natural resources are being processed. In the north-western area, such process is carried out in pulp and paper mills, in saw-mills and in a few other manufactures.

Therefore, we have enormous wealth or natural resources in our Abitibi area, which includes mining, agricultural and forest resources, and we do not have enough secondary industries where those natural resources can be processed.

On the same day, a Liberal member directed a question to the Minister of Regional Economic Expansion (Mr. Marchand), dealing with the northern Ontario area, namely the Timmins area. And the minister answered then that a subsidy had been granted to an American firm, the Texas Gulf and Sulfur, a subsidy that amounted, I believe, to more than \$6 million to build smelting works at Timmins.

Since this area, which is next to ours, is now considered as a designated area and since the American corporations can avail themselves of government subsidies. I imagine it is becoming embarrassing for the government to overlook the Abitibi area, which is encircled as by a horseshoe, for all the surrounding areas are designated areas, except the Abitibi region which has a large rate of unemployment.

We have about 10,000 people suffering from under-employment. These people live either on unemployment insurance benefits, either on social welfare allowances or attend pre-employment courses. The Minister of Regional Economic Expansion, I believe, is responsible for these training courses given to adults. It is one thing to give them new employment opportunities, but it is another thing to create such employment.

That is why I ask the government, the Minister of Regional Economic Expansion, to see as soon as possible, if that has not already been done, that negotiations are initiated with the Quebec government in order to designate this area as a special one, so that we may avail ourselves of the advantages of other

regions and be able to develop processing industries for our raw materials, thus giving employment to our people and freeing them from this quite permanent tendency of being either unemployed or on social welfare.

I think the minister should consider this request which is not only coming from the hon. member for Abitibi but also from all businessmen, from all those who are interested in the development of that region, and I will point out to the minister's representative that in our region businessmen are going ahead, since we have reached a stage where we must build ourselves our roads to future developments.

So I think, that our businessmen's activities prove that we are determined to go ahead. But the government or governments should do their share.

**Mr. H. E. Gray (Parliamentary Secretary to the Minister of Finance):** Mr. Speaker, as the Minister of Regional Economic Expansion (Mr. Marchand) has already informed the house, the officials have been consulting with the provinces about future programs. But, obviously, the choice of the areas which may be designated under an improved incentives program, is one of the matters that must be examined by federal and provincial officials.

On behalf of the minister, I wish to assure the hon. member that the Abitibi area is not neglected in these discussions. However, I must point out that a final decision shall not be made on any area, until the new proposed legislation concerning industrial incentives has been considered by the house.

I believe I can assure the hon. member that the government is concerned with the economic expansion of the whole country, including the Abitibi area.

[*English*]

COMPANY OF YOUNG CANADIANS—KAPUSKASING, ONT.—ALLEGED COMMUNIST ACTIVITIES OF GRAHAM DELINE

**Mr. Ralph Stewart (Cochrane):** Mr. Speaker, the day before yesterday I raised a question in the house regarding the infiltration of Communist oriented individuals into the Company of Young Canadians as reported to me by the district high school at Kapuskasing. I received a letter from the principal of the high school, Mr. W. J. Peacock, who formerly was head of the history department. This person was really very disturbed, as am I, regarding the attempt to influence our young people in high schools with the Communist