

frankness and sincerity will be recognized even though I have not found better solutions to those problems in my department. I would like, Mr. Speaker, to thank the opposition for giving me this opportunity today to speak about the department and refute certain allegations which were made here in the House and outside not only by opposition members but also by spokesmen for other economic groups in our society. I am glad precisely because the Leader of the Opposition (Mr. Clark) and his spokesman, the hon. member for Egmont, have systematically refused to take into account the most basic facts to judge our policies and programs, thus misleading the people to a certain extent by their critics.

It has been said, here and elsewhere, that the policies of various federal departments impede regional development, and that there is no co-ordination between the Department of Regional Economic Expansion and the other departments. It has also been said that the DREE operation is too centralized, that it does not know well enough the specific needs of each area, and that our industry incentive program is slow and ineffective. I appreciate this opportunity to correct the distorted facts presented by hon. members opposite, something which I have to attribute, to put it kindly, to a surprising lack of efficiency which I find quite strange among people who hope some day to lead the country. With the kind of ability they are demonstrating, I am afraid they will have to be satisfied with just keeping on wanting it for quite a while yet. I shall return to this in a little while, but for the time being, I should like to remind the House of the main policies and strategies this government and my department have developed and implemented.

Since 1972-73, the evolution of the regional development policy has followed three main themes: the need for an efficient subsidy program; the need to carry out, in every province, development strategies based on local concepts, aspirations, needs and objectives and implemented by federal and provincial civil servants stationed in each of the provinces; finally, the need for a service which can provide analytical research and liaison with other federal departments and help them develop their policies so that they can contribute to the realization of regional development objectives.

I would like to say a few words, Mr. Speaker, about our previous achievements. Our subsidy program is now well established. As for the industry assistance legislation, companies have received subsidies of about \$580 millions until now, which should result in the creation of 127,531 jobs in low growth areas. The rate of failure among financially assisted industries through the assistance program is lower than 10 per cent. According to some critics, it would be desirable for the procedures involved in our subsidy program to be made less stringent. In fact, Mr. Speaker, shortly after the program was first implemented, the then minister realized that it was necessary to do so, and it was done.

Those who complain about the time it takes to process the requests for help know, for instance, that since that revision of the act in 1974, processing time has been reduced by over 25 per cent? Do they know also that since the 1974 revision it was

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reduced by 33 per cent in the case of the applications dealt with exclusively by our regional offices? Finally, do they know that over 80 per cent of the applications we receive are in fact dealt with by our regional offices? So one sees the results of the improvements and flexibility built into the regulations under the act. Do those same critics, Mr. Speaker, know that when it takes over 90 days to process an application, for instance, in most cases it is due to the fact that the applicant failed to supply all the information required, and that, indeed, once we have all the information, it seldom takes us more than three weeks to be in a position to make an offer or turn down the application.

That does not mean, Mr. Speaker, that the important and difficult cases do not take any more time. Of course, we are dealing here with taxpayers' money, and we know that often enough, as a result of failures and bankruptcies, the department is severely taken to task. So, obviously we must take our precautions before offering financial assistance to certain projects. We must look at the market, at the environment, Mr. Speaker, another element added in recent years, we must see whether the financial structure of the undertaking is reasonably healthy, and the sponsors of the project have the competence to manage it.

Mr. Speaker, I can assure the House that I am not prepared, in order to set a new time record, to disregard certain basic principles of prudence required for the consideration of those files because I still believe that we must consider very seriously each application we receive.

Last October 18, the opposition asked us to ease the application of this legislation. As regards the request submitted by the Atlantic Development Council which was referred to, this was almost done completely. The opposition continued its attack totally ignoring those changes. This is obviously why the Leader of the Opposition finds it so hard to understand even the basic principles of our policy of regional development. Moreover, the Opposition wants DREE to introduce some rationality in what it calls the more than 200 federal, provincial and municipal programs of assistance to the industry.

Every project carried out under this legislation follows a major effort of coordination with the provinces involved. Furthermore, DREE, the Department of Industry, Trade and Commerce and some other departments took an active part in many conferences dealing with subsidies, which they also helped to set up. The provinces, as well as municipalities and private organizations sometimes also took part in these meetings.

Mr. Speaker, so that our stand is perfectly clear, I want to state that our position has never been and will never be to tell the provinces what they should or should not do as far as the various programs are concerned. We shall continue to discuss with them and to seek the best solution, and we shall resort neither to coercion nor to force. The opposition wants DREE to contribute to projects already in their operational phase and to make arrangements allowing for its involvement.

They do not find it absurd to ask us in the same breath, and sometimes in the same phrase, to rationalize and coordinate