

*Regional Development Incentives Act*

should be of the type that could be promoted, encouraged and assisted by the government. I have no objection to the principle involved in assisting manufacturing activity and the development of manufacturing activity in these regions. However, it seems to me that if the bill is to accomplish the purposes set out for it, it will be necessary to give it somewhat broader scope than that provided at the present time.

I believe that when dealing with the development of a region we must consider not only secondary manufacturing activity but all forms of economic and industrial activity. The fact is that prior to secondary manufacturing processes and activity it is necessary to have primary economic production. This, of course, can take many forms—agriculture, fishing, mining, and so on. During the committee stage the minister made a valid point, namely, that some forms of primary economic and industrial activity would not qualify for a grant under this legislation because they would not be established unless they were already capable of standing completely on their own feet in economic terms.

● (4:00 p.m.)

It seems to me that it is possible to visualize a number of areas of primary economic activity for which it would be very desirable and necessary to provide financial assistance under the terms of this bill. For instance, I can think of some aspects of the forestry industry that might not be developed if they are left solely to the type of rationale that might be brought to them by a commercial firm. However, with some financial assistance which may be made possible under this bill I think we could find regions in this country where it would and could be determined that it would be a worth-while expenditure of public money to encourage this type of activity.

I believe it is important that assistance rendered in connection with the development of the designated regions specified in the bill should be brought within the scope of the bill. It is fine for the minister to say that other assistance could be given through the establishment of the department itself. However, it seems to me it would be a much more rational, logical and desirable form of organization to provide for this financial assistance under the terms of the bill.

The same comments may be applied to service industries which I think are essential in terms of the over-all economic development of a region. There have been many sad

[Mr. Burton.]

examples where either primary or secondary industrial activities have been developed in a particular region of the country, following which it has been found that the service industries associated with the development of a community and with its economic life are very much lacking. I can give some examples which have taken place in recent years in my own province where a number of communities have had mushroom growth as a result of the development of the potash industry. In some cases the potash mines were located near relatively small centres in the province and the only form of development that made sense in terms of the community was for people to live relatively near to the mine.

There are a number of such examples in Saskatchewan where service facilities and community development have not taken place on a scale adequate for the needs of the people who have moved into the area and who have found a new form of making a living as a result of the development of the potash industry, which is basically a primary form of economic activity. Thus it seems to me that if we are going to obtain balanced economic development which will serve the full needs of communities in designated regions within this country it would be desirable to adopt the motion proposed by my colleague, the hon. member for Oshawa-Whitby (Mr. Broadbent), which provides that financial assistance be made available for all forms of industrial activity.

Mention has also been made of the tourist industry. I believe it would be very useful and important to provide assistance to the tourist industry under this bill. It has been noted by some people, of course, that the tourist industry is seasonal for the most part, that it is not a year-round economic activity. However, the very fact that it is seasonal in nature in most parts of the country makes it that much more important that assistance be provided to the industry within the framework of the economic plan developed for the entire region under the bill before us.

I hope that the government will give serious consideration to the proposal that has been placed before the house. I hope we will find some responsiveness on the part of the government, and that the bill as it is finally passed by the house will be fully comprehensive in nature and capable of carrying out what in fact are very laudable objectives and purposes as set out in the title and as described by the minister and the government