

*Regional Development Incentives Act*

agriculture. The program outlined by the minister in charge of the Wheat Board indicates there will be some payments made to western farmers and farmers in general. This amounts to some \$100 million. There has been some suggestion that part of this money would be made available as a result of the rescinding of the Temporary Wheat Reserves Act. The minister has said we are not going to be storing as much grain, and that this storage will be reduced to about 250 million bushels. During the question period this morning, it was indicated that this would be about 300 million bushels less than the western storage capability, which is 400 million bushels, plus 150 million bushels in the terminals.

When we calculate this reduction in terms of dollars, we find that the farmers will actually be storing some 300 million bushels that will not be in the elevator system. They will not be paid for the 300 million bushels of grain. This will result in farmers having to borrow from the banks and other financial institutions. There should be some compensation in this regard, otherwise the farmers who are now in almost a bankrupt state will not be able to exist for another year.

The minister has pointed out that this deficiency will be offset to some extent by the production of barley and rapeseed, but this will not begin to fill the gap. The Lift program was supposed to put \$140 million into the western economy. The last figures I have indicate that only \$27 million has actually been paid to the farmers. Indications are that this will not be increased to any meaningful extent and this will cause a great deal of dissension across the country. The figures published by newspapers throughout Canada have indicated that the agricultural industry in western Canada is receiving \$140 million under the Lift program and \$100 million as a grant because of the rescinding of the Temporary Wheat Reserves Act. Most of the people in the country feel that western farmers are receiving a great deal of money, but the actual recipients know that the amount they are receiving is perhaps 25 per cent of the amount publicized in the newspapers. This is a very disappointing and destructive situation to those farmers in the west.

In southern Alberta, we have a designated area which includes Medicine Hat in the riding of the Minister of Agriculture (Mr. Olson). Approximately a month ago, the city of Red Deer sent a brief to the minister's office. A supporting brief was received from the town of Stettler. A comparison study was made in relation to the designation of Medicine Hat and the situation existing in Red Deer. The conclusion was that, if anything, Medicine Hat was better off than the undesignated areas. It is painful for me to say this, but I cannot help, but feel there is favouritism in respect of designation.

I do not wish to go on at length, Mr. Speaker, but I must draw attention to the fact that under the Regional Development Incentives Act the program has, as of September 30, 1970, produced an estimated 13,700 jobs at a cost of approximately \$80 million. This works out to about \$21,000 per job. I do not believe all the jobs created under this program will prove to be permanent. That is a high price to pay for so few jobs. If you relate

[Mr. Downey.]

the 13,700 to the present number of unemployed people, now in the neighbourhood of 500,000 to the cost under this program so far, we would have to provide another \$20 billion in order to have full employment. That huge amount of money would help only about two-thirds of our present unemployed. So, it would be impractical to say that we could really supply jobs and help everyone equitably through this department. I suggest we must look at these other areas which I named and bring about a special climate in which we would alleviate the burden imposed through taxation on the business communities. We should look at incentives from other areas rather than through the Department of Regional Economic Expansion. We should assess the whole scene in this manner, and then I think we might see the economy go ahead.

• (2:30 p.m.)

**The Acting Speaker (Mr. Laniel):** The hon. member for South Western Nova.

**Mr. Louis-Roland Comeau (South Western Nova):** Merci, monsieur l'Orateur.

**Some hon. Members:** Hear, hear.

**Mr. Comeau:** I have a couple of friends, Mr. Speaker.

**An hon. Member:** There are more than two, Louis.

**Mr. Comeau:** I hope so. Mr. Speaker, I am very interested in this bill because this is really the first opportunity Parliament has had to assess what has taken place in respect of regional development, and the policies and activities of this department within the regions. It is also our first opportunity to analyse the affect the department is having in particular areas of Canada.

[Translation]

Mr. Speaker, some say the Minister of Regional Economic Expansion has been given somewhat excessive powers. When the department was established, it was said that a little too much dictatorial power had been vested in him.

I completely disagree with that assertion. Considering the work he has accomplished since the department was set up two years ago, it can be seen that the minister does not have enough power, since he does not have sufficient authority to tell his colleagues in the Cabinet that some of their projects defeat the purposes of his department.

[English]

I think he should have a bit more power, because if he had a little more power he would be in a position to advise the Minister of Finance (Mr. Benson) in respect of inflation policies. He would be in a position to tell the other departments to stop fiddling around with what he is trying to do. Then, he would really be able to do a job in carrying out the objectives of his department.