

### Supply

controlling the actual resource, and never the two shall meet. Everyone agrees that one of the reasons why the fish companies got into trouble, and why we had such incredible lay-offs, was that too many processors' licences were issued in other parts of Newfoundland. The provincial government, not the province—and there is a distinction—was issuing licences everywhere. Something had to happen. I have no problem with the provincial government issuing those licences, Mr. Speaker, if the community had had a meeting and said, we want a processor's licence in this country to create employment. Instead of taking our fish and trucking them to another place, we want a processor's licence. This will create permanent employment in this community. You would have to be crazy not to agree with the people in the community, Mr. Speaker. In fact, if I were the provincial Minister of Fisheries I would have probably issued twice as many processors licences, because how can you deny the community employment? How can you deny the rationale that it is better to have the fish processed immediately rather than trucked down to some big multinational fish plant on the South Coast or the East coast?

● (1730)

But the problem is this. In Newfoundland, for example, which is different from Nova Scotia, a processor's licence does not mean you are going to process anything. That is the basic problem. It should not be called a processor's licence unless you are processing something. That has been our problem in the Newfoundland fishery.

**The Acting Speaker (Mr. Guilbault):** Are there any questions or comments related to the remarks of the hon. gentleman?

**Mr. Crosby:** Mr. Speaker, I was very interested in the remarks of the Hon. Member, particularly with respect to the basic services required in a community in the Atlantic area to promote industrial development. I have never heard of an industry, whether it be fishing, manufacturing or any other activity, wanting to locate in an area which did not have adequate water supplies, sewer systems and other basic services. Those basic services become very much part of industrial development and expansion. When we think of assistance for industry, we often think of help in putting up buildings and other structures, and even assistance in obtaining working capital, but we sometimes get away from the very basic needs of communities.

I was interested to see that the Hon. Member has a problem which exists in my constituency of Halifax West, that being a lack of pure water supplies. Some areas in my constituency have water which is contaminated with arsenic. Other areas are contaminated with other deleterious substances, but arsenic is the principal culprit. Pure water is not available and the residents have a problem. Anyone looking at that area as a site for industrial expansion of course immediately looks elsewhere. I want to commend the Hon. Member for bringing to the attention of this House that these very basic requirements for services are important. Even though they are considered people

services, they are related to industrial development and expansion.

I want to ask the Hon. Member if he has any thoughts or ideas on how the federal Government might involve itself in these very basic problems. In the case of the arsenic contamination in parts of Halifax West, I would have thought that the Department of National Health and Welfare might intervene on the basis that it was a serious health hazard, and then take some specific action. The Minister has not taken that receptive an approach to the problem. But if it could be characterized as a factor which militates against industrial expansion, perhaps there are other Departments or agencies of Government which might get involved in order to assist in the development of the area. It is only with that development that you can have any real economic activity. Whether or not you link the economic activity today directly to that special problem, it is certainly a problem which affects the people involved in the activity. If the Hon. Member has any comments on what the Government might do in this area I would be pleased to hear them.

**Mr. Baker:** Mr. Speaker, I know from the Estimates for the Department of the Environment that there were three water systems put in this past year in certain parts of Canada. But I do not know how one would go about even applying for the money. It is done on the basis of fifty-fifty federal-provincial participation. But to answer the question, unfortunately and unless the federal Government were to pay the entire cost of the water system in most provinces, you could not have a water system installed in a small rural area. Unfortunately, financing the water systems by provincial governments is normally done on the basis of a bank loan or a loan from a provincially established bank. It is not usually government money. The interest is paid by the provincial government until the system is completed, at which time the province guarantees that the municipality will pay it back to the bank over a period of time. The problem you get into when you have a small community which is unincorporated, or if it were incorporated it probably could not make the payments, then the provincial government is not going to be too anxious to put in a water system. That is the unfortunate part of it.

The only way I can see in which the federal Government could put in a water system is to do exactly what the Hon. Member said. You need a water system in order to have anything happen in the community. I would say that that is where the Minister of Employment and Immigration (Mr. Roberts) should put some of the LEAD assistance which was newly approved by his Department. It is an excellent program. I think that is something they should look at. In fact, I have asked the Minister if we could not follow that same procedure in my constituency.

The basic problem is that we have provincial governments whose responsibility it is to provide pure drinking water and they are not doing it. Probably the biggest disgrace in this country is that we do not have adequate drinking water in this country today in 1984.