

In 1961 the report of A. K. Cairncross, now economic advisor to the United Kingdom government, was released to the premiers of the four Atlantic provinces. His view was that the federal Government must be the principal agent of policies to eliminate the lag in economic development in the region.

In order to tackle the program and carry on the effort to "pull ourselves up by our bootstraps", the council concentrated on encouraging secondary manufacturing, while hoping for the necessary federal assistance.

A number of committees have been set up by A.P.E.C. The one to assist the growth of our light industries, and the development of industries generally, interests me especially. I feel that not only in the Atlantic provinces but throughout Canada we must promote the growth of secondary industries. It may be recalled that I expressed this opinion in a speech made in this chamber on July 5, 1960, as reported in Senate *Hansard* at page 944.

There is another interesting committee, consisting of a professor from Acadia University and a professor from the University of Maine, which is investigating the information that may be available regarding trade between the Atlantic provinces and the New England states, and the Committee is to report on the advisability of launching a joint project in this field. We trust that this study will produce practical results. The people from the provinces of New Brunswick, Nova Scotia and Prince Edward Island remember that in the days before Confederation we had a booming economy based on our free trade with our New England neighbours which we lost when, as a member of the Canadian Confederation, we had to submit to tariffs put on for the benefit of the industrial provinces of central Canada.

Based essentially on Professor Cairncross's report, supported by other studies among A.P.E.C. members, there is wide acceptance of the belief that it is essential to the development of the Atlantic provinces that the Government of Canada should create in this region an agency or agencies to assist in the program of expanding the level of public and private investment.

At the annual meeting attended by the honourable senator from Murray Harbour (Hon. Mrs. Inman) and me, great satisfaction was expressed as to the statement in the Speech from the Throne that the Government of Canada proposes to create an Atlantic Provinces Development Board to recommend measures and projects that would promote the economic development of the Atlantic region.

Members of A.P.E.C. place heavy reliance on this statement, and it is to be hoped that the creation of the Development Board will

take place soon and that the personnel will be the best that can be found—individuals with wisdom, foresight and experience. It is recognized that it is necessary that not only A.P.E.C. and the federal Government, but the provincial governments as well, must do all in their power to develop our economy and this, I feel, is being done by the present New Brunswick Government.

Amongst other things a Research and Productivity Council has been set up, through the assistance of which some 40 to 50 new firms got underway in New Brunswick in the past few years, and this organization has assisted many other firms to increase their capacity.

In line with the development of small industries, and some not so small, all of which will help to cut down New Brunswick's unemployment problem, the New Brunswick Government, by legislation passed last year, paved the way for the establishment in that province of a \$50 million mine, mill and smelter project which will develop a 60-million ton ore body in the Bathurst-Newcastle area. This will provide 200 permanent jobs. The New Brunswick Government recently built a large, modern plant that it has leased to an electronics firm which employs more than 1,000 workers, mostly women. Other businesses recently established are a \$1 million plant to build fishing draggers, and a softwood-plywood plant, a peat moss company, a paper box plant, a paper bag plant, a shoe last firm, a floor mop and broom establishment, and a chemical factory to produce chlorine and caustic soda for the pulp and paper industry which, with its high capital investment, has been the backbone of provincial production for many years.

To help meet the demand for skilled labour which has resulted from this expansion in New Brunswick, the Government launched last winter a large-scale training program for unemployed persons. This was conducted under the new Federal-Provincial Technical and Vocational Training Program. Training classes were operated in 68 centres. About 2,300 trainees took part—which I am told is unequalled anywhere in Canada. One new technical and training school is in operation, and at least six more are planned.

In spite of all this effort to pull ourselves up by our bootstraps, unemployment in New Brunswick is still higher than in other parts of Canada. The New Brunswick Government believes that if we receive help through the proposed Atlantic Provinces Development Board, although previously New Brunswick's location was considered a disadvantage, new factors which have come into being may make