

*Atlantic Development Board Act*

more convenient to accept the resolution almost without discussion and have the debate in a more formal way on the bill or whether hon. members would desire me to indicate at this stage what the bill is about and have some discussion at this stage in the hope that the second reading stage would be largely a formality.

There are no new principles at all involved in this bill, with one possible exception. I do not know whether one would call it a principle. In the view of the lawyers it was, because it turned out when we got a legal opinion about the present act that it was not possible for the board to do something which we thought the board had the power to do under the legislation as amended in 1963. It was the opinion of the board and it was my opinion as minister, an uninstructed opinion as it turned out, that the board had the power to make expenditures for projects and then either to keep the ownership of those projects or turn them over to some other agency of the federal government. We found out that owing to the peculiar way in which not so much this act but the Public Works Act was phrased, this was not possible in the opinion of the legal advisers of the government.

The act as it now stands envisages grants being made and the crown cannot make a grant to itself. This has not caused any great embarrassment so far, though it has given rise to some minor embarrassments. However, there are some projects in contemplation where it may be desirable to have a project carried out while reserving the title to the government of Canada. It would not be my intention nor my desire to see a project remain with the Atlantic Development Board as long as we could find some appropriate agency to take it over once completed. I think all hon. members would agree that it should not be necessary to turn these works over to a provincial government or a municipality if they come within a field which is more appropriately federal, and we ought to correct this defect. This is the only thing which might, by any stretch of the imagination, be called a new principle.

One effect would be that where certain works undertaken to promote industrial expansion could result in an annual revenue, this revenue could be collected in an appropriate way. This might be the only way of proceeding without giving an unfair competitive advantage to some new industry as compared with an industry already in existence.

It will be provided in the bill that in such cases, and they may be rare, any revenues would go back to the fund and be available for further use. This seems a sensible, businesslike arrangement.

The main objective of the proposed bill is to accomplish what the Prime Minister had in mind in October of last year when the question of the probability of the \$100 million fund being exhausted fairly soon was raised, that is, to replenish the fund. I should perhaps say a word about the exhaustion of the fund. I do not want hon. members from any other part of Canada to feel that the board has been lavish or extravagant or imprudent or wasteful in the use of this money. I know that members from the Atlantic provinces will not feel so. The \$100 million is far from being spent. But most of it has been committed, in some cases to projects which will take a number of years. The board cannot continue the kind of activity in which it has been engaged unless it has more funds to commit, and what we are doing is to replenish the commitment power by \$50 million.

Hon. members may ask: Why \$50 million? Why not \$100 million? Well, there is a feeling that we ought periodically to have an opportunity in this house to review the activities of the board and the state of the fund which does not come under annual review in the same way as the other estimates. We do not want to make commitments which go too far ahead without members of parliament from all parts of Canada having a chance to consider what is being accomplished.

I have made a very serious endeavour as, I think, did the hon. member for Victoria-Carleton, who had the responsibility for the Atlantic Development Board in the beginning, to keep as far away as I can from being a politician. Let me add that I have no apologies for being a politician or acting like one or trying to act like one, and I do not think the hon. member for Victoria-Carleton has, either, but the success of the board depends on dealing with two governments which are of the same political persuasion as ourselves and two which are not, and as far as we can we have tried to keep this activity above party politics and to treat all four provinces alike. I believe we have had a great measure of success in doing so and I am hopeful things will continue that way.

In this context I should like to say that the hon. member for Kings—I see him in his place today—was a member of the Atlantic Development Board before he was elected to