

The Budget—Hon. R. Coates

Mr. Epp (Provencher): Hear, hear!

Mr. Coates: Mr. Speaker, I want to say that one of the leaders in producing a new confidence in Atlantic Canada has been the Minister of Regional Industrial Expansion. He has been aggressive. He has gone into Cape Breton, which fed off the former Minister of everything from Cape Breton Highlands-Canso who managed to spend taxpayers' money on producing runways at Port Hawkesbury so his private jet could land, where no one had anything other than a six or eight-week job at one time.

What we have now are long-term favourable programs that have excited the business community and have, from all of the applications that are coming in, produced in that business community a new confidence about Nova Scotia and about Cape Breton. I know that with the Minister of Regional Industrial Expansion's leadership we will continue to see new plants and new jobs being produced, not just in Cape Breton but in all of Atlantic Canada.

• (1620)

I want to speak about my province of Nova Scotia and indicate what has been happening there since the Government was elected and what will continue to happen in the future. In the past 12 months, 11,000 jobs have been created, including 3,000 in January of this year. The value of building permits in the first 11 months of 1985 was up \$94 million, or 18.2 per cent compared to the same period in 1984. Bankruptcies were down 6 per cent in 1985 compared with 1984. Total housing starts in 1985 rose 51 per cent, to their highest level in eight years. Retail sales have increased by 8 per cent between December, 1984 and December, 1985 and have increased by 11 per cent since the September, 1984 election. The value of fish landing in the first 11 months of 1985 were up by \$26 million or 11 per cent over the same period in 1984. The former Government left the fishery in a total shambles after years of disinterest and disrespect for the people involved in the fishing industry. Last year, the rate of closures of small and medium sized businesses in Atlantic Canada was 6.3 per cent, down from 8.9 per cent in 1984. The January inflation rate of 4 per cent in Halifax was below the national average of 4.4 per cent. That is the situation in Nova Scotia.

I want to talk about my constituency because during the Trudeau years I was a virtual undertaker, burying one industry after another as a result of bankruptcies. We did not have any good news in Atlantic Canada. However, in the years since 1984 we have seen the establishment or expansion of 21 industries directly related to assistance through DRIE. They are not the only industries that have been established but they had direct federal involvement.

On Monday I will be attending a press conference with the Minister of Agriculture for Nova Scotia and the Mayor of the town of Amherst, participating in the establishment of another industry in Amherst. Furthermore, I can advise the House that there are new plant possibilities under active consideration for Truro, Springhill and Oxford. I have also been personally involved in the establishment of a new luggage factory, with

Korean participants, in the town of Amherst. Those are some examples of what is happening because the business sector in this country has confidence in the Government and the Minister of Finance.

Let me say a few words about national defence. We have seen much progress in national defence since the Government took office. Nowhere is that more apparent than in Atlantic Canada. One of my first acts as Minister of Defence was the re-establishment of Chatham as an air base. It is almost a cornerstone industry of northern New Brunswick and, if it had been left to the former Government, that base would have been dismantled completely. We have re-established it as an air base and we have reconfirmed the employment possibilities for those people of the north shore who are associated with that base. I want to congratulate Members from the north shore who worked closely with me in re-establishing that base.

There are many new developments at Goose Bay that will be of tremendous benefit to Newfoundland and Labrador. The Department of National Defence has re-established itself as the lead Department in handling that base. There are many activities associated with NATO in relation to major utilization of that base which will be of tremendous benefit to the people of Happy Valley, in particular, and the people of Newfoundland, Labrador and Atlantic Canada generally.

I am absolutely committed to major improvements in the naval element of the Armed Forces. We must take major steps to ensure that our navy is properly constituted and that it has the ships it requires. Currently, Saint John shipyard is the lead yard in building six new frigates. While I was Minister, I began the definition program for the second batch of six frigates and I say to the Government that we must move forward quickly in getting that second batch of six frigates on line in order to benefit from the volume buying associated with the construction of those frigates.

I compliment the Saint John shipyard for establishing a centre of excellence with the recruitment of 600 to 700 qualified people in the construction of warships. We have not been involved in this activity for many years. I have great confidence in their ability to manage the second batch of six frigates that should be constructed. We need new submarines quickly for our navy as well as new helicopters.

We must re-establish the navy which Prime Minister Trudeau and his Government let deteriorate almost to the point of oblivion. The Government must take the necessary steps to establish the navy as a significant part of our Armed Forces if we are to meet our commitments as a partner in NATO.

I want to repeat that our Government has been progressive, with new and positive programs of benefit to all Canadians combined with a reduction in our involvement in their lives. We are moving forward with positive programs that will have long-term benefit for all Canadians. They can look forward to a Government that recognizes the social justice system and is sensitive to the just society. We will not forget those in need while providing a Government that is aggressive and sensitive but much smaller than its present size.