

area to which I am referring the unemployment rate is something like 30 per cent. The economic situation there has been aggravated by the fact that two or three years ago the government resettled a large number of fishermen and their families in this area. I believe 240 families were moved, probably involving about 1,000 people. This imposed an additional burden on the infrastructure of the area, particularly on the educational facilities.

Centralization is a responsibility of the Department of Regional Economic Expansion, and I contend that since the movement of people into this area imposed an intolerable burden on the educational facilities, to such an extent that the schools are overcrowded—500 children cannot obtain reasonable accommodation in them—the government has a responsibility to give the school authorities the means of making additional classrooms available to enable these children to get an education. At present, children are taught in the basements of buildings, in parish halls in the area and in other makeshift, temporary quarters.

A number of questions with regard to the Argentia phase-down and the promise by the government to institute a crash program have been unanswered. The Minister of Transport went to Newfoundland in July of 1970 and announced with a great deal of gusto a \$2 million program for the area. This was to be a crash program. Seven months later there is very little evidence of the crash program announced by the hon. gentleman. That is typical. A task force was appointed by the government, but it did not take the logical step that should have been taken in a case like this and institute feasibility studies to determine the economic prospects of the area.

I feel this area of Newfoundland has a great future in that a number of industries could, with encouragement from the government and after the proper studies have been carried out beforehand, become viable. The industries of fishing, forestry, mining, tourism and transshipping, to mention but a few, could become viable in this area. I think the government has put the cart before the horse and that it should have initiated studies to determine the economic prospects of the area.

The Acting Speaker (Mr. Laniel): Order.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, having been a member of the Standing Committee on Regional Development and having had the privilege of visiting the Argentia area last May, I share with the hon. member for St. John's West (Mr. Carter) his sense of urgency about the need to alleviate conditions there. I do

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not believe he is correct in saying that the minister wished to convey the impression that there was a boom in the area; quite the contrary.

Before answering him more specifically, I ought to set the record straight with regard to responsibility. In so far as there is federal responsibility in regard to the resettlement program, or centralization program as it may be called, this federal responsibility is carried out by the Department of Regional Economic Expansion. But that is a different thing from saying that the responsibility for the program itself is a federal one. This is basically a provincial responsibility; the federal function is to assist.

The task force referred to is a task force agreed to by Canada, the United States, the province of Newfoundland and the Placentia Area Development Association. It is chaired by a senior official of the Department of Regional Economic Expansion. This task force has made two reports to the federal and provincial governments, in which recommendations were made for projects and measures to be carried out by the bodies represented thereon to alleviate the social conditions and serious loss of employment brought about by the curtailment of operations at the United States naval base at Argentia. I expect that the hon. member is referring to the second of these two reports, which was received by the governments early in December. It is essentially a review of the progress to date, with recommendations for further measures.

As the hon. member knows, in the first report emphasis was placed on short-term measures to be initiated as quickly as possible. The federal government, in July last, accepted the three main project proposals of the task force's first report and agreed to a federal expenditure of \$1,625,000 for these three recommended federal projects. These projects are in various stages of construction or initiation, and the hon. member referred to them. Other joint or shared-cost programs to be proceeded with under ARDA were proposed in the first report. One, at least, of these projects has been started, principally the tourist chalet and park at Dunville, to cost \$100,000. For these projects the province must submit applications for approval, as it has in several instances.

The Acting Speaker (Mr. Laniel): Order, please. I regret to interrupt the parliamentary secretary, but the time allotted to him by the rules of the House has expired.

Motion agreed to and the House adjourned at 10.30 p.m.