

Supply—Regional Development

Mr. Fairweather: Mr. Chairman, I shall not speak for very long but I do want to raise one particular matter on this estimate. The minister has treated me very courteously in this regard and knows how I feel on this issue. I am particularly glad that the member of the cabinet from New Brunswick is in his seat, because I am sure that the combination of these two ministers means that something will be done in regard to a grant to the University of New Brunswick that was severely cut back by Treasury Board, in spite of a recommendation for capital funds made by the Atlantic Development Board.

I feel particularly strongly about this issue because some people in the maritime provinces are beginning to feel that the Atlantic Development Board is now just a series of initials, that it has no power. If each submission of the Atlantic Development Board to Treasury Board is going to be subjected to such severe curtailment as in this particular case, then I think the people of the Atlantic provinces will have legitimate reason for complaint.

I am going to take the somewhat unusual course of reading three letters, for which I take full responsibility, as I believe is the rule. I will identify the senders and in every instance give the names of the addressor and addressee. There is no mystery about this and it is not a partisan matter; it is the wish of a member of parliament from New Brunswick to see that one of the important resources of the Atlantic area receives just treatment.

The first letter is addressed to me and is from the vice-president, administration, B. F. Macaulay, of the University of New Brunswick. The letter is dated September 6, 1968 and reads as follows:

—I write to you concerning developments associated with the university's request for a capital funds grant from the Atlantic Development board.

Then Mr. Macauley says he will outline the history of their requests and the federal treasury's grant award. He then encloses supporting data.

The letter continues:

In August, 1964—

This is the reason for some of my frustration.

—the university made a submission to the Atlantic Development Board for a grant of \$1,850,000 for capital expenditure to provide research and graduate student space and to purchase additional equipment and library resources for research purposes, all of which include only areas of direct

relevance to the social, economic and technological advancement of the Atlantic provinces. The Board recommended a grant of \$1,500,000 and this amount was finally approved by treasury. Of this amount \$1,038,000 was to support the space requirements. You will note this sum is indicated and its allocation to various areas are indicated in column 1 of the attached analysis of submissions to Atlantic Development Board and Supporting Grants.

It continues:

Although the new buildings containing the space being supported by grants have been constructed, with the exception of the extensions to the chemistry, biology and geology buildings, and most of the equipment and books have been purchased, none of the supporting grant money has been received over this four year period. This delay has apparently been due to slowness in completing the associated agreements, and the agreement between the province of New Brunswick and the federal government is still not signed.

This was last September; perhaps the minister can indicate whether the agreement has been signed since.

In April of this year it became obvious to us that increasing academic requirements and the rapidly rising costs of construction would make it impossible to build the extensions to the chemistry, biology and geology buildings with the Atlantic Development Board grants requested in 1964. Accordingly, we requested our architects to give us new estimates of the cost of these buildings, and we prepared a new submission to the Atlantic Development Board, dated April 1, 1968. This second submission was based on three considerations—increase in building costs; increase in size of the space required; and 100 per cent support for those areas where 50 per cent support was requested in the first submission, including the extensions to the chemistry, biology and geology buildings. The increase in grants and the total grants requested are shown on the attached tabulation sheet.

The Atlantic Development Board recommended—

I want to emphasize this.

—that the maximum increases resulting from all three of the considerations in the preceding paragraph should be granted. This would have given us an increase of \$2,318,200 and a total grant of \$3,356,200. Consideration of these grants by treasury board was considerably delayed by the federal election, but when our submission was considered treasury only approved increases in the grants for increased building costs and the increased space requirements, but not for 100 per cent support in the areas where 50 per cent support had been requested initially. This decision was made in the face of the recommendation by the Atlantic Development Board for 100 per cent support. The result is that our request for increased grants has been cut by \$1,262,200.

● (9:20 p.m.)

While the Atlantic Development Board and the Treasury Board were considering our second submission tenders were called for the extensions to the chemistry, biology and geology buildings so