

REGIONAL ECONOMIC EXPANSION—INQUIRY AS TO
SIGNING OF AGREEMENTS WITH NOVA SCOTIA

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, the burden of my message tonight arises out of a question I asked in this House several times of the Minister of Regional Economic Expansion having to do with what I consider to be a breakdown in communication between the provincial authority in Nova Scotia and the federal authority in Ottawa. In this context, it has to do with agreements.

On October 7 I asked the Minister of Regional Economic Expansion (Mr. Marchand), as reported at page 8516 of *Hansard*, whether the minister could indicate the present status of a subagreement under the basic agreement between the federal authority and the province of Nova Scotia, which is an agreement entitled "Nova Scotia federal-provincial agreement on special areas and highways," dated at a point in the administration in Nova Scotia of Hon. George Isaac Smith who was then Premier of Nova Scotia. I asked the question particularly in light of a headline which had appeared in the *Halifax Chronicle-Herald* of September 14, 1971, which read "\$40 million more from DREE: Highway work to take half". The article

The Nova Scotia government is expected to sign a formal agreement with Ottawa next week whereby the province will receive an additional \$40 million in grants and loans under the regional economic expansion (DREE) program.

Half of the money will be committed to highway work, with the bulk of the balance going to projects in the Halifax-Dartmouth metropolitan area.

Premier Gerald Regan told a news conference at Province House yesterday that the funds are an extension of the province's existing DREE agreement plus another \$20 million for highway work.

He and finance minister Peter Nicholson gave newsmen only sketchy information about details of the new programs, saying that more information could be revealed upon official signing of the agreement with Ottawa.

The new money constitutes a one-year extension of Nova Scotia's existing \$34 million DREE package, from June 30, 1972, to June 30, 1973.

Mr. Regan said his government opted for a short-term agreement so that more detailed planning could be conducted on a proposed three-year package covering the period April 1, 1972, to June 30, 1975. It was better for a new government deciding its options and long-term programs to secure a short-term agreement so that greater attention could be given to the future, he said.

Some surprise was registered in Nova Scotia at an announcement being made at that point by the Premier, but he explained he was making it then because he was off to Malaysia to attend a conference.

When I raised the question in the House of Commons the minister indicated that he had no awareness of what I was talking about. On the basis of the article I have read, I cannot question the veracity of the minister, because he said he knew nothing about it, but I do without hesitation question the veracity of the Premier of Nova Scotia. This is the second time I have raised the question, only to learn there is still no awareness on the part of the Minister of Regional Economic Expansion as to what in hell this is all about, and I am a little fed up with lying and evasion of

public trust. God damn it, what is going on? The minister is too lazy to be here tonight. I ask the parliamentary secretary to tell us whether he knows anything about this or not.

I have come from a testimonial dinner tonight in honour of a man who represents the epitome of integrity in this country, a former hon. member from British Columbia, Mr. Howard Green, a man who embodies what is important to this institution and has done so over the years. The people of Nova Scotia do not need any misleading information to be given to them. Either the people of Nova Scotia have government by headline or they have government on the basis of consultation with the senior government. It is that question and that question alone that brings me here this evening.

I should like to know whether or not there is about to be signed, or has been signed within the last week or ten days, an extension of or amendment to the original DREE agreement between the federal authority and the province of Nova Scotia to grant the province of Nova Scotia some \$40 million in funds. If that is not the case, then I wish the parliamentary secretary to the minister would get to his feet and tell the people of Nova Scotia that Mr. Regan does not know what he is talking about.

Mr. John Roberts (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I am very pleased that the hon. member for Dartmouth-Halifax East (Mr. Forrestall) raised this matter on the "late show." As part of my new duties I have been reading back through the minutes of proceedings of the Standing Committee on Regional Development and I can testify to the hon. member's continuing interest in this subject. Obviously, as he indicated tonight, this is a subject on which he feels very strongly, and rightly so.

He did say that the minister said in the House that he did not know anything about this matter. If the hon. member would look back to *Hansard* he would see that what the minister actually said was whether it would be possible to know to which agreement the hon. member was referring, because there were several agreements to which he might have been referring. So it was not a declaration of ignorance; he was asking the hon. member for information.

The hon. member also said that there has been a breakdown in communications. This is not so. In fact, to the contrary. We have recently completed negotiations in regard to two agreements with the government of Nova Scotia, one dealing with highway projects and the other,—I am sure the hon. member is happy to know—dealing with the development of the special areas of Halifax-Dartmouth and the Strait of Canso. The latter represents an extension of the term of an earlier agreement that was signed last year. These two agreements have now received the approval of the Governor in Council and within the next day or two a letter will be sent to Premier Regan to make arrangements for the signing of the agreements. In accordance with normal practice, details will be announced jointly by the two governments as soon as possible after the agreements have been signed.

I am sure the hon. member will be pleased at these developments and I thank him for his continuing interest in the affairs of the department.

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