

evil of some kind. They have been linked to foreign corporations and giveaways. Certainly in my part of Canada the program of industrial grants is regarded as an essential part of a program of industrial development. Any effort to decrease or remove these grants would be greatly resisted by the business community and the population generally of Nova Scotia and the Atlantic provinces. In the real world where I live in Nova Scotia I can point briefly to a number of major plants that are contributing to the development of the province and enhancing employment opportunities, which have been assisted in locating in that province through the program of industrial development grants.

The hon. member for South Shore (Mr. Crouse) is in his seat today. He knows that the foreign corporation Michelin was assisted to locate in Nova Scotia in part through the provision of industrial grants. It is a foreign corporation. No one in Nova Scotia would suggest that grants should be denied to this corporation locating in Bridgewater and Granton. It will ultimately provide employment for 1,800 people. An industrial grant has been given in my constituency, in the Strait of Canso, to Nova Scotia Forest Products Limited which is a European-owned and controlled company. Through a recent expansion it will provide increased employment in the plant of 250 people and in the forest and related industries of 1,000 people. Gulf Oil, which is located in the Strait of Canso, has established a refinery. It has been assisted by a handsome industrial grant of millions of dollars under this program. Through the co-operation of Devco it has established a large industrial development there.

**Mr. Skoberg:** At the expense of Moose Jaw.

**Mr. MacEachen:** the modernization of the Sydney steel plant, a cornerstone in the province of Nova Scotia, is vital. The industrial life of Cape Breton would be inconceivable without the continued operation of that plant. The modernization now planned will cost \$95 million, and \$15 million will come from the Department of Regional Economic Expansion in the form of an industrial incentive grant. That is what is being knocked by the motion before the House.

I can indicate from these major examples that these grants are important to the province of Nova Scotia and its future development. We do not take kindly suggestions that they are somehow a fraud on the body politic and that because capital is coming from non-Canadian sources grants should be withheld. Under this program grants have been made in Nova Scotia in the amount of almost \$27 million. This involves a total investment of approximately \$130 million. I want to put on record that in the allocation of industrial grants, Nova Scotia has the highest per capita figure of any province in Canada, including Quebec. I hope that will set to rest the allegation that is too often made, that the minister is somehow favouring his native province in the allocation of industrial grants and other parts of the program. If figures mean anything, and they mean a great deal, the fact is that my province has been treated better than any other province in Canada, certainly better than the province of Quebec. We want the program to continue.

#### *Regional Development*

In the field of infrastructure, a very important part of the department's work, we are giving support to special areas or growth centers in the province of Nova Scotia, one in Halifax-Dartmouth and the other in the Strait of Canso area. Under this program about \$74 million has come in two years to the province of Nova Scotia to provide the necessary infrastructure related to industrial development. The key strategic concept in the industrial development of the Atlantic provinces is to build up certain growth areas which have the greatest opportunity for development and to ensure this development by provision of infrastructure including water, sewers, schools, highways, and so on. Up to the present time in Nova Scotia we have given \$74 million for this purpose.

• (1830)

In Halifax-Dartmouth seven schools have already been built under this program. Water supplies have been guaranteed to the city of Halifax. The construction is in progress of transportation facilities leading into and out of Halifax to relieve traffic congestion. All are necessary to build Halifax as a major industrial centre providing the amenities of modern life and serving as a centre of employment for people from the hinterland of the province. This is a good, sound proposition. Nobody involved in the administration, the town planners or the mayors, is knocking this program. The theorists are knocking it, but the people at ground level who are building sewers and schools are saying, "more, please." The people outside the boundaries of the special areas are asking, "Why can't we get in?"

In my own constituency of Cape Breton Highlands-Canso there is a special area at the Strait of Canso. Infrastructure money is available to build the necessary industrial parks, to provide water and sewers in a community such as Mulgrave, to build roads from the main highways into the parks to make the area an attractive one for future industrial development. The schools in this area are overcrowded. The municipality cannot provide the schools needed. The province is strapped. So the federal government will be asked through DREE to make available the necessary additional school facilities so as to make possible the human services which must accompany industrial development. At the moment there is under way a special feasibility study which envisages a big new school in that area.

I regret that so little stress has been placed in this debate upon what is being accomplished, upon what is going ahead and supported, certainly in my part of the country, as an essential part of economic development, though undoubtedly there are criticisms to be made and improvements to be introduced. Let me refer again, particularly, to the infrastructure development which is related to the whole of the Halifax-Dartmouth area and through to Canso. The rest of Nova Scotia is wondering why it is not eligible for this special grant. It is not always easy to understand that what is being done is part of an over-all concept of regional economic development.

We want to see these two areas developing because of their greater potential and because, hopefully, there will spring up large centres of population which will allow young people from other parts of Nova Scotia to find jobs in the province rather than going off to Toronto or to the