

Public Works Act

For those who would require economic and statistical support for the evidence before their eyes, I have retail sales figures which demonstrate this trend in sharp terms. They show that since 1966, the downtown Rideau Street area's share of regional retail merchandise trade has declined steadily from 21 per cent 15 years ago to approximately 10 per cent today. This 50 per cent decline in the area's share of trade, needless to say, is reflected in the general lack of prosperity of the area, which in turn affects rental income, levels of maintenance, upkeep and so on, in a cycle of gradual deterioration over the years. The causes of this decline lie partly in the North American suburban migration of the last 20 to 30 years and the advent of shopping centres. There were 16 new major shopping centres built in the National Capital Region since 1971. The relocation of the Ottawa Union Station to Alta Vista also deprived the area of important trade.

[Translation]

Planning for the Rideau Centre took a number of years because of the scope and complexity of the project and the need to obtain the co-operation of various representatives of the public and private sectors. From the time cabinet approved the conceptual plan in 1973 until construction started last summer, eight years had passed, eight long years during which the project was sailing on very rough seas, appearing to be at times completely out of reach and at times a reality with a tremendous potential. From the very outset I have supported and promoted this project, and it was with great satisfaction and a sense of relief that I saw the concrete realization of this long process, when construction finally got under way last summer. The Rideau Centre is undeniably one of the most important projects undertaken in Ottawa since the war.

• (1520)

[English]

It will consist of four major elements, the first one being a 500-room hotel to be built and operated by Western International Hotels. The second element is a 250,000 square foot department store by Eaton's; the third, ancillary retail space totalling approximately 400,000 square feet; and the fourth major component is a full service convention centre, with a capacity of 4,000 people, to be built by the city of Ottawa. In addition to these main features, there will be a vast array of malls, pedestrian accesses, underpasses and bridges, parking garages and landscaped open areas and gardens.

If the physical scope and dimensions of the project are impressive, then the complex structuring of the over-all transaction is perhaps even more remarkable, that is, the order and disposition of the large array of interests and participants, both private and public, and the blending of retail and hostelry expertise, financial power and federal leadership.

[Translation]

I feel that it is necessary to stress the leadership role played by the federal government. It is, in fact, a federal project and has been since the very beginning, from the planning stage until its implementation. Public Works Canada and the

National Capital Commission, who orchestrated the project since the beginning, are to be warmly praised for their work. As planning progressed, co-operation between the various levels of government, namely federal, provincial and municipal, proved to be a vital factor. Essential to the project and the initiative taken by the federal government was the innovative use Public Works Canada has made of twelve acres of property it owned in the area, the department acting as a catalyst to bring about the participation of all parties concerned in creating this vast integrated complex. The property in question was transferred to the principal promoter, Viking Rideau, Eaton's real estate branch, and to the municipal government of Ottawa and the regional municipality, for the purpose of carrying out the project.

[English]

In addition, it was necessary for the Department of Public Works to contribute to the project its share of the cost of infrastructure improvements. Since the land on which the infrastructure was to be built had already been transferred to the developer, the Public Works contribution was in relation to improvements to the property of others. Because the statute does not explicitly provide for such expenditures by Public Works, the amendments contained in Section 1 are designed to ensure that they are specifically authorized.

[Translation]

As far as economic benefits are concerned, at the construction stage the project will create 2,000 person-years of direct employment in addition to 1,000 person-years of indirect employment, which is greatly needed by the Ottawa area. As I said before, the project will revitalize the downtown core, since the central section of Rideau Street is expected to recoup most of the losses it suffered in retail sales. But more important still, the project will create a vital and dynamic downtown core.

[English]

I have described this project in some detail for two reasons. First, it illustrates the complexity of contemporary real estate development and shows the necessary involvement by Public Works in such complex projects. More particularly, it illustrates the necessity of ensuring, in an explicit way, that Public Works has the statutory authority to participate in such projects. Section 1 of Bill C-91 as it now stands does not give explicit authority to the Department of Public Works to provide its share of the federal contribution to the project. This amendment is required in order to set out such authority clearly.

In conclusion, Mr. Speaker, I would urge that hon. members consider this bill favourably and expeditiously. Delay is clearly our enemy in relation to such important projects as Rideau Centre.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome the opportunity to speak this afternoon on Bill C-91, an act to amend the Public Works Act and the Public Lands Grants Act. The bill is very small, some four pages, so there is