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ter of Municipal Affairs, should avail themselves of the opportunity to convince their own premier and Cabinet colleagues to focus on the possibility of achieving through those negotiations an agreement to allocate some funds targeted for the continuation of certain municipal and other projects to essential services, such as water and sewage or other infrastructure services that should already be in place. This being the year 1984, our people should already be enjoying the services that other Canadians enjoy. Therefore, I urge the Minister, when accepting his responsibilities, in spite of whatever planning or other problems exist within the province, to try to utilize the Government's new structure of the Department of Regional Industrial Expansion and the Department of Economic and Regional Development when allocating funds for this purpose.

The needs are there and they continue to be as great and as urgent as ever. We must continue to support the mining, forestry, fishing and transportation sectors until such time as we have achieved the goal we all wish to achieve of having modern facilities to give us the capacity to be productive and competitive in the marketplace.

● (1550)

While we have achieved a great deal, I repeat it is more than millions, it is in the billions of dollars that this Government has religiously and consistently allocated to areas such as Atlantic Canada. I would like to take this opportunity to thank the federal Government for the amount of money that has been targeted to date. We certainly appreciate this support and the co-operation of the federal Government. But, much remains to be done. We must continue to keep a close watch and work together to discover ways in the short term to achieve other major projects that will require funding for economic growth under the new re-organization of the government structure.

Mr. Deputy Speaker: Are there questions or comments? For debate, the Hon. Member for York-Sunbury.

Hon. J. Robert Howie (York-Sunbury): Mr. Speaker, in addressing the important motion which is before the House today, I would like to comment on the experience we have had in the Province of New Brunswick and then in the Atlantic provinces. I would like to identify the problems as I see them and propose constructive solutions that are preferable to the course that the Government is now following.

New Brunswick possesses a number of strengths which could be the basis for growth opportunities in the development of products and services embodying new technologies. These include the New Brunswick Research and Productivity Council which has attracted world-wide attention for its work in metallurgy, and a well-established engineering school at the University of New Brunswick, which offers the only Ph.D. program in North America in computer-assisted design and computer-assisted manufacturing. New Brunswick has excellent schools of computer science and world-class expertise in telecommunications technology. The province possesses a core of advanced metal working and machinery firms in strategic

positions to capitalize on oil and gas developments on the East Coast. Use of CAD/CAM techniques, which I referred to a moment ago, assisted by the province's manufacturing technology centre, have the potential to improve greatly the competitive position of smaller companies. The province also possesses the country's most efficient shipyard, which has recently won a contract for the management of the naval frigate program.

The availability of skilled and semi-skilled labour is an important attraction for certain high technology operations. The availability of well educated young people and co-operative labour-management relations provide New Brunswick with vocational advantages over other centres in Canada. New Brunswick also has advantages to offer in the quality of life factors, such as housing costs, access to outdoor recreation and commuting time.

The resource sectors focus on capitalizing on the traditional strengths of these sectors in the New Brunswick economy. Priority is assigned to maintaining jobs in these sectors by increasing productivity and improving New Brunswick's competitive position in national and international markets and encouraging further resource processing prior to export. A number of opportunities exist to increase the production of key business, industrial and commercial services to serve not only provincial and national demand but export markets as well. For example, while the province's consulting engineering industry is small, it currently exports world-class expertise in areas such as forest products and transportation. The tourism sector has great growth potential as well.

It is interesting to note that the general development agreement, signed in 1974, took as its primary objective the reduction of the gap in earned income per capita between New Brunswick and the national average while minimizing net migration from the province. While it is clear that some progress has been made toward the general development agreement objectives in terms of accelerated growth of provincial output and employment and in terms of net migration, significant disparities remain between New Brunswick and the national average. Earned income per capita, for example, stood at only two-thirds of the national average. This statement is repeated on page 8 of the economic and regional development agreement signed between Canada and New Brunswick in April of this year.

In moving New Brunswick toward economic self-sufficiency, and by putting in place a significant secondary manufacturing segment, we increase the tax base and reduce New Brunswick's dependence on Ottawa. In other words, Canada's investment can significantly reduce New Brunswick's dependence and the amount of money required from Ottawa in transfer payments. While each of the Atlantic provinces has particular problems, they all share the same problem of disparity.

What can we do? How do we build industry in New Brunswick and in the other Atlantic provinces? Like any construction project, the first thing we must do is to lay a firm foundation. We must create a climate which is attractive to industry. We believe that that foundation can be found in the