

● (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under S.O. 45 deemed to have been moved.

SPECIAL RECOVERY CAPITAL PROJECTS PROGRAM—HALIFAX WATERFRONT COMPLEX. (B) STARTING DATE INQUIRY

Mr. Howard Crosby (Halifax West): Mr. Speaker, the adjournment debate provides me with an opportunity to place before the House of Commons a matter which has caused great difficulty and consternation in the City of Halifax, that is the construction of a federal office complex for the City of Halifax in the federal constituency of the Minister for International Trade (Mr. Regan). I suppose this federal office complex could be described as the mystery of the April 1983 Budget. It was announced by the Minister for International Trade in late April, 1983 as part of the Special Recovery Capital Projects program, which was a major feature of the Budget of the Minister of Finance of April 19, 1983.

When the Minister for International Trade made the announcement of this office complex he indicated that it would be a \$51.3 million building. He said that the multi-building complex would contain a series of low-rise structures and would be built on land owned by the provincial Halifax-Dartmouth Waterfront Development Corporation. Whether that is a proper designation of that party, I do not know, but it was made clear that the building was to be constructed on the Halifax waterfront.

What was not made clear was the information contained in the document which I have before me. It is an internal government document, authorized by one Ken Mackay. He said in that document dated November 28, 1983 that the Halifax federal building was not a \$51 million building as indicated by the Minister for International Trade, but in fact a \$4.97 million project which involved a lease-purchase agreement. Right at the outset there was some question whether the Minister was being less than honest in announcing the project. However, that is not the problem today. The problem today is whether this \$51 million building, which was to provide a thousand construction jobs, will ever occur.

The next piece of information I have to offer the House of Commons arrived in February 1984, almost one year later, when the Minister of International Trade again called the press into conference and said that there would not be an office complex on the Halifax waterfront, but that there would be a more elaborate but less expensive complex on Gottingen Street in the City of Halifax. He was very proud of this new complex. He paid no attention to the fact that \$20 million was lost in the shuffle from the first announced office complex to the new office complex announced in February 1984. He was joined by the Mayor of Halifax, an eminent Halifax Liberal and former member of the provincial legislature, who said that it was one of the most exciting complexes which the City of

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Halifax could imagine. He saw no problem with the change in site. He saw no problem in the reduction of the expenditure from \$50 million to \$30 million. No one commented on the number of jobs which would be lost by this reduction, and on they went.

The problem was that the Minister for International Trade in making the announcement forgot all about the place at which the building was to be sited. He just assumed that by some magical process this would become the property of the Government of Canada and they would go ahead with the construction which he estimated would take place within a few months; that is to say, Nova Scotians would be put to work on this Special Recovery Capital Projects program involving the construction of the building announced as part of the Budget of April 1983. That is not to be the case at all.

Now the announcement comes forward that the expropriation, which the Minister of Public Works (Mr. LeBlanc) instituted to acquire the land to build this \$30 million building on the new site, has been attacked, it has been challenged. It is unlikely that this expropriation will ever take place because the owners of the property who are now employing people and creating jobs and activity do not want to give up the site. It is a simple exercise in property rights. They are saying, "No. Sorry federal Government, but we want to keep these properties that we have utilized for many years in our businesses and activities." The federal Government, through the Department of Public Works, has to defend its right to expropriate. I am sure the courts of law involved in this transaction will say, "No. Go find your own land."

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The proposition now comes forward that there is to be a new site for this project, a third site. Meantime, all kinds of objections have been raised. While the Mayor of the City of Halifax said it was a wonderful project, according to a newspaper report in February, 1984, however, and I quote:

Halifax Alderman Don Le Blanc says the decision to build a \$30 million federal building at Gottingen and Cogswell Streets is impractical and illogical.

Experts brought before the hearing with respect to the expropriation said this is not the place to put that kind of a building, that it will not help North End redevelopment. What has happened is that we seem to be engaged in some kind of a publicity manoeuvre and machination by the Minister for International Trade. There apparently, will not as of this date, be a federal office complex built in Halifax.

[Translation]

Mr. André Bachand (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I would like to respond in greater detail to the question put by the Hon. Member on March 16 with respect to the construction of the federal building in Halifax.

When my hon. friend, the Minister of International Trade (Mr. Regan) first announced the construction of the building in question, our plans were for a project that would cost about \$51 million, \$50,795,000, to be exact. However, we then had