

*Highways*

to be a matter of top priority, the improvement of No. 11 highway. Numerous items in schedule B show that work was begun in different areas along the No. 11 highway. I hope that this very important project will be continued in the coming year.

Having said this, I wish to assure my hon. friend for Halifax-East Hants that nothing could please me more than if ways and means could be found to finance his proposed project. Nevertheless, I differ with him in the formula he has suggested. I listened to the hon. member today. This afternoon he suggested that the government should consider the advisability of declaring as rapidly as feasible a 90-10 cost-sharing formula for the highway program that was formerly embarked on by those provinces and the Atlantic Development Board. Perhaps the hon. member is not aware what a retrograde step this would be. The maximum cost sharing under the Atlantic Development Board program was of the order of 75-25.

● (5:20 p.m.)

The present agreements on special areas and highways provided for 100 per cent federal financing of construction costs and, unlike the ADB program, for loan financing for land acquisition in urban areas where acquisition costs are often high. The total assistance provided by the ADB to the Atlantic provinces, from the first agreement in 1964 to the fourth agreement in 1968, was \$66.5 million, distributed as follows: \$19.5 million to Newfoundland, Nova Scotia and New Brunswick and \$8 million to Prince Edward Island. Under the DREE Special Areas and Highway Agreements signed this year, the amount committed toward highways in fiscal 1970-71 alone comes to \$63.4 millions, composed of \$55.4 million in grants and \$8 million in loans. Over the short life of the agreement, from April 1, 1970 to June 30, 1972, the total expenditure under this agreement on highways in the Atlantic provinces will be approximately \$88 million, consisting of \$76 million in grants and \$12 million in loans. These amounts are, of course, additional to the \$7.5 million in federal funds committed for highways under the FRED Plan for P.E.I. In fiscal 1970-71 alone, almost as much money has been committed to highway development in the Atlantic provinces as was provided over four years in the old ADB Agreements.

With respect to the highways that are assisted, and specifically the Fundy Trail project and a crossing of the Shubenacadie river, it must be pointed out that highway programs are joint programs with the provinces. In all cases they must be highways that we and the provinces agree jointly are important contributors to the economic development of the province. We are aware of the merits of the roads that the member has suggested and their potential contribution to the development of the provinces, but the provinces concerned felt, and we agreed, that they would not contribute as importantly to the development of the region as a whole and the individual provinces as the highways that were chosen for priority construction.

I would like the hon. member to enlighten me on one point. The program for construction of the Shubenacadie crossing has not yet been advanced by the provincial

authorities to the federal authorities. This is what I gather. I ask the hon. member whether this is a fact.

**The Acting Speaker (Mr. Richard):** Order, please. Hon. members will appreciate that while I called the hon. member for Northumberland-Miramichi (Mr. Smith), it was the hon. member for Westmorland-Kent (Mr. Crossman) who spoke.

**Mr. Charles H. Thomas (Moncton):** Mr. Speaker, it was with considerable interest that I noticed my colleague, the hon. member for Halifax-East Hants (Mr. McCleave), had placed this notice of motion on the Order Paper. It ties in very closely with my own notice of motion No. 20, which calls on the government to develop an over-all transportation policy for the Atlantic region. This is something that has been promised to the area for a good many years. It was specifically promised in 1967 when the National Transportation Act was passed. The necessity for an over-all policy was recognized by the government at that time when they instituted the freeze on railway rates. Over the past four years, the recognition has been more in the breach than in the observance. We all know what happened to the freeze on rail rates. We know what happened to rail rates in the past four years. Only those who live in the Atlantic provinces are aware of the fact that we are still no closer to an Atlantic transportation policy than in 1966.

I want to emphasize the need for an over-all transportation policy. I appreciate remarks made by the hon. member for Westmorland-Kent (Mr. Crossman). I am very happy that he is with us. I feel only through the co-operation of all Atlantic members, regardless of political affiliation, will we eventually be able to arrive at a coherent and comprehensive policy for the area.

While I agree with the figures given by the hon. member for Westmorland-Kent, and appreciate the fact that many millions of dollars have been pumped into the area through the agreement he referred to, I maintain the position we have taken from the start that this is still not the comprehensive policy that has been called for by the old ADB, the Atlantic Provinces Premiers' Report and the Standing Committee on Transportation. DREE is basically an ad hoc policy. As far as we are concerned, the time has long passed when we should abandon this idea of ad hoc assistance for the area and come up with a long-range development policy to bring this area up to the level of the rest of Canada. This fact has been long recognized. The old ADB was established in 1963. I quote from their final report:

From its inception, the Board recognized that shortcomings in transportation were responsible for much of the lagging economic growth of the Atlantic region. While it was apparent that these shortcomings embraced all modes of transport, the solutions were anything but obvious, involving as they did complex questions of national and regional policy objectives. What was clear and undisputed, however, was the need for a network of modern, all-weather trunk highways, to be constructed at the same time as an over-all transportation policy for the region was being developed.

That was in 1963, close to eight years ago. We are still waiting for a comprehensive transportation policy for the Atlantic area. It is all right for the government to say