

*The Address—Mr. MacEachen*

commission had failed to present at this stage a general program for maritime economic development.

The expectations of many, including myself, were not realized in this report. There is no integrated program for maritime redevelopment; there is no examination of the commercial and monetary policies pursued by the government that might have a favourable or adverse effect on the economy of the Atlantic region. And finally, there are no recommendations for stimulating the private sector of the economy in the Atlantic region. I have a feeling that the commission, for some reason, is out of step with the objectives of the Atlantic provinces economic council, which is now beginning a very comprehensive effort to solve some of the problems of the maritime region.

I hope the commissioners, who yet have to complete their final report, will remedy what seems to me to be a very vital deficiency in the preliminary report, namely the absence of a comprehensive and integrated program which might form the basis of maritime recovery.

Nevertheless there are one or two things mentioned in the commission's report which might form the basis for some discussion. The commission recommends the setting up of a capital projects commission to which the federal government would be expected to make annual contributions, and from which might be expected to evolve recommendations as to how public projects should be developed in the Atlantic region.

I cannot comment for the province of Newfoundland or, indeed, for any other province, but it seems to me that in the field of public projects the Atlantic region, or at least the province of Nova Scotia, has made the greatest headway. The federal government has already provided substantial capital assistance to public projects which merited consideration, among them the Canso causeway, the Yarmouth-Bar Harbor ferry and other schemes that come to mind. The suggestion of the commission would, it seems to me, simply make more formal the arrangement which already exists, and is likely to lead to difficulties in reconciling the various needs and requirements of the four governments who would form the group in the capital projects commission.

The commission itself lays great stress on the problem of transportation, and calls for a trunk highway system in the Atlantic region. Here again, in the field of road building and the provision of important links in our transportation system, to which I have already referred, considerable progress has been made in the Atlantic region.

[Mr. MacEachen.]

One problem mentioned by the Gordon commission was the inadequacy of the present transportation arrangements between North Sydney and Port aux Basques and the alleged bottleneck that exists in the transport of freight between Port aux Basques and North Sydney. I have had occasion already to suggest to the Department of Transport that an alternative steamship service be established between the Avalon peninsula and Port Hawkesbury on Cape Breton island. As you know, the construction of the Canso causeway has resulted in the creation of an all-year port at Port Hawkesbury, and its outstanding possibilities could be used in the setting up of this alternative steamship service. I realize that the commission suggested that the alternative service might be set up between Halifax and St. John's, but I am sure the members from Halifax will generously allow this steamship service to be rerouted to my constituency.

The commission placed great emphasis on the lower income levels that exist in the Atlantic area, and it is true that the level of income is lower in that area than in the rest of Canada. The commission goes on to suggest that several methods could be adopted to overcome this disparity in income levels, and one of the final suggestions made reads as follows:

Any serious attempt to raise income levels in the Atlantic provinces will soon break down into consideration of a series of problems which must be dealt with separately and individually.

Then it suggests that among the problems are matters which come within the general administrative competence of the federal government or its agencies, on which favourable decisions could provide some modest measure of assistance to one or other of the Atlantic provinces. I have a modest measure to propose to the government which I think will go some distance toward overcoming the disparity in incomes that now exists as between certain workers in the Atlantic region and in other parts of Canada. I refer to the prevailing rate employees of the federal government, particularly on the island of Cape Breton. I understand that under the procedure now in existence the Department of Labour strikes the prevailing rate that should be paid to federal employees, based on surveys, and then its recommendation is made to the various government departments.

I have in mind, for example, the employees at the Cape Breton highlands national park, Louisburg park, Point Edward naval base and, in the province of New Brunswick, the employees at Camp Gagetown. The employees in Cape Breton highlands national park receive an hourly compensation 30 to 35 per cent below the compensation paid to