

# development board

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# ATLANTIC DEVELOPMENT BOARD

*Annual Report for the fiscal year  
1967-1968*

*Published by authority of*  
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OTTAWA

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CANADA

MINISTER OF NATIONAL HEALTH AND WELFARE

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TO HIS EXCELLENCY THE RIGHT HONORABLE ROLAND MICHENER,  
*Governor General and Commander-in-Chief of Canada*

MAY IT PLEASE YOUR EXCELLENCY:

I have the honour herewith, for the information of Your Excellency and the Parliament of Canada, to present the Annual Report of the Atlantic Development Board and the financial statements of the Board for the fiscal year 1967-68.

Respectfully submitted,

A handwritten signature in cursive script, reading "Allan J. MacEachern".

*Minister of National Health and Welfare*


THE HONORABLE ALLAN J. MACEACHEN, M.P.,  
*Minister of National Health and Welfare,*  
*Ottawa, Ont.*

SIR:

I submit herewith the Annual Report of the Atlantic Development Board and the financial statements of the Board for the fiscal year 1967-68.

I have the honour to be, Sir,

Your obedient servant,

A handwritten signature in dark ink, appearing to read 'J. MacEachen'. The signature is fluid and cursive, with a large initial 'J' and a distinct 'MacEachen'.

*Chairman*

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# ATLANTIC DEVELOPMENT BOARD

## INTRODUCTION

The year 1967-68 was one of continuing search for solutions to achieve better balanced economic growth in the Atlantic region. Attention was focussed on this problem in February 1968 when the Constitutional Conference took clear note of the appeal by the Atlantic Premiers for a "national policy which is frankly regional in application and of massive size", to deal with "the difficult question of regional economic disparity."

The problem of regional economic disparity has been a persistent and deep-rooted problem during most of Canada's existence. Early responses from the federal government to meet its responsibility took the form of fiscal concessions and subsidization of rail freight movements. In recent years, as the nature and extent of regional inequalities came to be better understood, successive federal governments have adopted a more penetrating and basic approach to the problem. Among other programs, equalization payments to the poorer provinces to bring their receipts from shared-tax fields up to the national average were instituted, followed by special fiscal grants to the four Atlantic Provinces.

While efforts to strengthen the fiscal capacity of the poorer provinces continued, the federal government also took direct remedial measures of its own. The Atlantic Development Board was organized as a special agency solely concerned with the economy of the Atlantic region. At the national level, the Agricultural and Rural Development Agency was established to deal with rural, social and economic problems in their totality, and the Area Development Agency of the Department of Industry was charged with the responsibility of encouraging industries, by means of cash grants, to locate in areas of high unemployment.

## ESTABLISHMENT OF THE BOARD

The Atlantic Development Board was established by Act of Parliament in December 1962, the Act being amended in 1963 and in 1966. The first amendment established an Atlantic Development Fund of \$100 million, increased to \$150 million under the second amendment. The objects and powers of the Board are set out in sections 9 and 9A:

9. (1) The objects of the Board are to inquire into and report to the Minister upon programs and projects for fostering the economic growth and development of the Atlantic region of Canada, and to consider, report and make recommendations to the Minister concerning programs and projects not involving the use of the Fund and programs and projects involving the use of the Fund; and without limiting the generality of the foregoing, the Board may, in furtherance of its objects,

- (a) prepare, in consultation with the Economic Council of Canada, an overall co-ordinated plan for the promotion of the economic growth of the Atlantic region;
  - (b) keep under constant review appropriate methods of furthering the sound economic development of the Atlantic region, whether such methods involve new programs and projects or the removal or mitigation of existing factors that may be considered to inhibit such development;
  - (c) with respect to particular programs or projects that may be referred to it by the Minister or that the Board may on its own initiative investigate, inquire into, assess and report to the Minister upon the feasibility of such programs or projects and the effect thereof in relation to the economy of the Atlantic region, and make recommendations to the Minister with respect to any such programs or projects that, in the opinion of the Board, will contribute to the growth and development of the economy of the Atlantic region; and
  - (d) enter into agreements with the government of any province comprised in the Atlantic region or the appropriate agency thereof, subject to approval thereof by the Governor in Council, or enter into agreements with any other person, providing for
    - (i) the undertaking by the Board of any programs or projects that, in the opinion of the Board, will contribute to the growth and development of the economy of the Atlantic region and for which satisfactory financing arrangements are not otherwise available,
    - (ii) the joint undertaking by the Board and the province or agency thereof or person of programs or projects described in sub-paragraph (i), or
    - (iii) the payment by the Board to the province or agency thereof or person of contributions in respect of the cost of programs or projects described in sub-paragraph (i).
- (2) The Board shall, to the greatest possible extent consistent with the performance of its duties under this Act, consult and co-operate with the



Economic Council of Canada and all departments, branches and other agencies of the Government of Canada having duties related to, or having aims or objects related to those of the Board.

9A. An agreement entered into pursuant to paragraph (d) of subsection (1) of section 9 shall, where appropriate, specify the respective proportions of the revenues from any program or project to which the agreement relates that are to be paid to the Board and the province or agency thereof or person.

## ORGANIZATION OF THE BOARD

The Atlantic Development Board consists of 11 members appointed by the Governor in Council for terms which are laid down in Section 4 of the Act. Following is a list of the members of the Board, their addresses, the date of their initial appointment, and the expiry date of their terms of office.

	<i>Address</i>	<i>Date of Initial Appointment</i>	<i>Date of Expiration of Term of Office</i>
<i>Chairman</i>			
Ian M. MacKeigan, Q.C.	Halifax, N.S.	Aug. 2, 1963	Jan. 24, 1969
<i>Vice-Chairman</i>			
Albert Martin	Corner Brook, Nfld.	Aug. 2, 1963	Jan. 24, 1969
<i>Members</i>			
Robert C. Eddy	Bathurst, N.B.	Aug. 2, 1963	Jan. 24, 1969
Neil R. MacLeod	Summerside, P.E.I.	Jan. 7, 1966	Jan. 6, 1969
Joseph A. Likely	Saint John, N.B.	Jan. 31, 1967	Jan. 30, 1970
Simon L. Bujold	Moncton, N.B.	Jan. 31, 1967	Jan. 30, 1970
C. Arnold Patterson	Dartmouth, N.S.	Jan. 31, 1967	Jan. 30, 1970
Calvert C. Pratt	St. John's, Nfld.	Jan. 31, 1967	Jan. 30, 1970
Maurice J. Quinlan	St. John's, Nfld.	Feb. 15, 1968	Feb. 14, 1971
Michael S. Schurman	Summerside, P.E.I.	Feb. 15, 1968	Feb. 14, 1971
Harry H. Smofsky	Bridgetown, N.S.	Feb. 15, 1968	Feb. 14, 1971

The staff of the Board, located in Ottawa, with offices at 396 Cooper Street, is headed by Dr. E. P. Weeks, Executive Director. At March 31, 1968, the staff numbered 32 professional and 35 supporting personnel.

The Board meets every two or three months at some point in the Atlantic region, and once annually in Ottawa, to review all current aspects of the program, and to consider new projects which involve expenditure from the

Atlantic Development Fund. The Board members of any given province, with the Chairman, constitute a provincial sub-committee of the Board. Board members, including the Chairman, are unpaid.

Five meetings of the Board were held during fiscal 1967-68: New Glasgow, N.S. in April 1967; Charlottetown, P.E.I. in July 1967; Atlantic Provinces Pavilion, Expo '67 in October 1967; Ottawa in November 1967; and Halifax in January 1968.

Each of the Atlantic Provinces has designated officers to maintain liaison with the Board. They are: Nova Scotia — Hon. Dr. T. J. McKeough, Minister of Trade and Industry; New Brunswick — Hon. R. J. Higgins, Minister of Economic Growth, Mr. R. E. Tweeddale, Deputy Minister of Economic Growth, and Mr. R. K. Fletcher, Co-ordinator of Economic Development; Prince Edward Island — Hon. Alexander B. Campbell, Premier, and Hon. Cecil A. Miller, Minister of Industry, Natural Resources and Fisheries; Newfoundland — Hon. J. R. Smallwood, Premier and Minister of Economic Development, and Mr. G. M. Brownrigg.

## 1967-68 IN REVIEW

At March 31, 1967, the Board had under its administration a total of \$180 million, \$150 million in the Atlantic Development Fund and \$30 million voted by Parliament in the 1965-66 fiscal year to assist the provinces with trunk highway construction. In June 1967, Parliament approved an additional \$25 million for this latter program. In the same month, Parliament approved funds totalling \$1,750,000 as the federal share of the cost of a joint program with the Newfoundland Government, \$1,500,000 in special housing assistance and \$250,000 in mobility assistance, for residents of Bell Island. Another special vote in January 1968 made the Board responsible for providing financial assistance in the amount of \$2 million to the Nova Scotia Government in connection with the operating expenses of the Sydney steel plant, which had been taken over by a provincial Crown Corporation. By the end of fiscal 1967-68, the Board therefore had been made responsible for administering funds totalling \$208,750,000.

Of this amount, \$183,418,854 had actually been committed — \$124,-668,854 from the Atlantic Development Fund, \$55 million in special highway appropriations, \$1,750,000 for Bell Island, and \$2 million for the Sydney steel plant. This represented a total increase during 1967-68 of \$54,704,617 — \$25,954,617 from the Fund, \$25 million in special highway appropriations and the two special votes for Bell Island and Sydney.

Total cumulative spending to March 31, 1968, amounted to \$104,927,-434, of which \$72,697,086 was from the Fund, \$29,935,344 from the special highway appropriations, \$295,004 from the Bell Island fund, and the entire \$2 million Sydney grant. During 1967-68 expenditures totalled \$40,206,517, \$18,628,428 from the Fund, \$19,283,085 from the special highway appropriations, \$295,004 from the Bell Island fund, and the \$2 million Sydney grant.

The 1967-68 expenditure of \$40,206,517, compares with spendings of \$38,123,772 in 1966-67, \$22,954,636 in 1965-66, \$3,642,509 in 1964-65 and nil in 1963-64, the first year of the Board's operation. In addition there have been the annual appropriations by Parliament to cover general administrative expenses such as salaries and expenses, technical and economic surveys and studies.

These figures of annual cash flow highlight the fact that while the Board commenced, from the early years of its establishment, to make sizable commitments for financial support, it is only in the last two or three years that the physical capital assets representing these commitments have started to reach the completion stage. The impact of the Board's spending is just now beginning to be felt, as roads are constructed, power projects come on stream, and research facilities and industrial parks are completed. It is not surprising, therefore, that the effects of Board investments are not yet measurable in economic terms.

In September 1967, Hon. J. W. Pickersgill, who had been the Board's Minister since 1963, resigned from Parliament to become the first President of the Canadian Transportation Commission. His ADB responsibilities were assumed by Hon. Allan J. MacEachen, Minister of National Health and Welfare.

There were also changes in the membership of the Board during the year. In January, Carl F. Burke, Charlottetown; Captain Maxwell Burry, Glovertown, Nfld; and Stephen Dolhanty, Florence, N.S., retired from the Board after completing two consecutive terms. They were succeeded by Maurice J. Quinlan, St. John's; Michael S. Schurman, Summerside; and Harry H. Smofsky, Bridgetown, N.S.

Important changes took place in the staff of the Board. In response to the staff's increasing administrative, co-ordinating and planning responsibilities, the position of Deputy Executive Director was established in order to leave Dr. Weeks, the Executive Director, free to concentrate on policy, planning and co-ordination. Mr. D. W. Franklin, formerly a senior official of the Treasury Board, was appointed to this new position. Mr. F. J. Doucet, Director of the Program Division since 1965, resigned to become Vice-President, Industrial Development Division, Cape Breton Development Corporation. He was succeeded on March 1 by Miss Simcock, a staff member since 1963.

During 1967-68, the major new financial commitment was the \$25 million Third Road Program. New or increased commitments for industrial parks and sites were made at the following locations: Point Edward, N.S., increased by \$1,400,000; at Dartmouth, N.S., in the amount of \$787,500; at Fredericton, a commitment of \$400,000; at Sussex, \$337,000; and at Summerside, increased by \$32,000.

Major new commitments were also made for the construction of water systems for a variety of new or expanding industries. During the year, the Board agreed to increase, from 16 to 19, the number of Newfoundland fishing

centres in which it would provide water for processing plants: Dildo South (\$477,000); Old Perlican (\$270,000); and Port de Grave (\$100,000). In addition, a number of commitments made in previous years were increased, bringing the total for water supplies to Newfoundland fish plants to \$8,367,-512. The Board also committed, under loan agreement, \$1,250,000 for the construction of a water supply to a new phosphorus plant at Long Harbour, Nfld.

In Nova Scotia, the Board committed \$4,395,000 towards the Strait of Canso industrial complex, including the provision of a water supply for the area.

Three large commitments were made in New Brunswick during the year for industrial water supplies: \$1,250,000 to provide water to a new pulp mill at Nackawic; \$1,100,000 to permit expansion of industry at Dalhousie; and \$565,000 for a food processing plant at Florenceville.

In Prince Edward Island, a previous commitment was increased by \$262,000 to permit expansion of the fishing industry at North Rustico.

During 1967-68, the Board's commitments for industrial research facilities in Nova Scotia and New Brunswick were increased from \$3,308,179 to \$7,837,179.

Two important departures from the Board's concentration upon infrastructure were made during the year. To assist the provinces to revamp their obsolete land titles registration systems, the Board approved a total of \$3,977,000, to be allocated \$1,446,000 to New Brunswick, \$1,008,000 to Prince Edward Island, \$923,000 for Nova Scotia and \$600,000 to Newfoundland.

A more modest, but equally significant, new policy established during the year was the Board's decision to approve \$45,000 to help the four provinces launch an export-promotion campaign. In addition to paying a portion of the cost, the Board also is providing technical assistance with the program.

Continued progress was made during the year on the Board's long-term plan for the Atlantic region. Most of the sector studies were completed and analyzed by staff and then presented to the Board for discussion and guidance. In October 1967, staff presented to the Board a preliminary statement on the policy implications which were likely to emerge from the work of the Planning Division. This memorandum, and the various sector studies upon which it was based, came to occupy an increasing amount of the Board's attention, so that by early 1968 Board members were spending as much, if not more, time on planning as they were on projects.

## PROGRAMS AND PROJECTS 1963-68

### Highway Development

With the approval of the \$25 million Third Road Program in June 1967, Board commitments for highway development reached \$66,675,000, replacing power development as the largest single item of Board spending.

From its inception, the Board shared the views of the provinces that an adequate system of modern, all-weather trunk highways was necessary for the economic development of the region. And while it was recognized that it would be difficult to measure in precise and meaningful terms the relative economic benefits of highway construction spending as compared with alternative forms of assistance, it was realized that such expenditures were, as in the earlier case of power, essential for the development of a sound economic infrastructure for the region.

As noted in previous Annual Reports, in 1964 a commitment of \$10 million was made from the Atlantic Development Fund for the First Road Agreement: \$1 million to Prince Edward Island and \$3 million to each of New Brunswick, Nova Scotia and Newfoundland. The Board contributed 50 per cent or 75 per cent of the cost of improving selected roads excluding right-of-way. In the 1965-66 fiscal year, Parliament voted to the Board an additional \$30 million, separate from the Fund, to assist the provinces in trunk highway improvement on a 50-50 cost-share basis, except for Prince Edward Island where the Board assumed 75 per cent of the cost. This Second Agreement was allocated on the basis of \$3 million to Prince Edward Island and \$9 million to each of the other provinces. Under the Third Agreement, Prince Edward Island is receiving \$2.5 million with \$7.5 million going to each of New Brunswick, Nova Scotia and Newfoundland. The cost-sharing division is 75 per cent Atlantic Development Board and 25 per cent by the provinces.

The particular roads selected for these programs have been agreed upon between the Board and the province concerned. In the three Maritime Provinces, particular emphasis has been placed on bringing trunk roads up to all-weather standards. In Newfoundland, there is still a need for heavy expenditures on basic roads to open up or improve transportation between

centres of population and to provide access to resource development areas. A brief description of the major road activities in each of the provinces is set out below.

### *New Brunswick*

In New Brunswick, under the First Highway Agreement, now completed, 22 contracts for road construction and six contracts for bridge building were awarded, the Board contributing 75 per cent of the cost and the province 25 per cent. The largest contribution by the Board, \$620,176, went toward construction of a bridge over the Miramichi River at Chatham.

Highways included in the New Brunswick Second Agreement, together with the Board's share, are: Saint John to Sussex — \$2,500,000; Saint John Throughway — \$2,500,000; Digdequash River to Lepreau — \$2,700,000; Port Elgin to Dupuis Corner — \$1,000,000; Acadiaville to Richibucto — \$300,000. At the end of fiscal 1967-68, payments by the Board came to more than half of its \$9 million commitment.

Twenty-seven projects were included in the Third Road Agreement, now virtually completed, the major ones, together with the Board's share, being: Chatham Bridge — \$1,065,000; Burton Bridge and approaches — \$1,125,000; Moncton to Shediac — \$825,000.

### *Nova Scotia*

In Nova Scotia, the first highway agreement was nearing completion by March 31, 1968. The major roads included are: Bedford to Cobequid — \$205,000; Cobequid Intersection to Upper Sackville — \$880,000; Tantallon to Hubbards — \$1,915,000.

More than two-thirds of the Board's commitment under the Second Agreement had been paid by the end of the fiscal year. Roads included are: Sydney Bypass — \$1,850,000; Brookfield Connector — \$2,150,000; Enfield to Shubenacadie — \$1,250,000; Tantallon to Prospect — \$1,250,000; Kentville to Wolfville — \$1,500,000; Avonport Diversion to Falmouth — \$1,000,000.

At March 31, 1968, less than 10 per cent of the Board's \$7.5 million commitment under the Third Agreement with Nova Scotia had been paid. Thirteen projects are included: Trunk 1, Trunk 14 to Wentworth Road, Wentworth Road Bridge — \$502,500; Trunk 1, Ste. Croix to Trunk 14, Trunk 14 Interchange — \$1,012,500; Trunk 1, Dominion Atlantic Railway



at Digby to Weymouth North — \$750,000; Trunk 2, Stewiacke to Shortt's Lake Road, West Shortt's Lake Road Bridge — \$600,000; Trunk 3, Broad River to Sable River — \$750,000; Trunk 3, Nine Mile Woods Diversion — \$825,000; Trunk 4, Irish Cove Diversion — \$525,000; Trunk 1, Windsor Bypass — \$1,087,500; Trunk 1, Springfield Lake to Halifax-Hants County Line — \$375,000; Trunk 2, Shubenacadie to Stewiacke — \$528,750; Trunk 2, Shubenacadie Diversion — \$168,750; Trunk 2, Stewiacke Diversion — \$75,000; Bicentennial Drive, Halifax to Hammond Plains Road — \$300,000.

### *Newfoundland*

In Newfoundland, the First Agreement, now completed, included the following roads, on a 50-50 share basis: Burin to Marystown — \$300,000; Trinity South to Whitbourne — \$500,000; Valleyfield to Wesleyville — \$300,000; Wiltondale to Rocky Harbour — \$500,000; Brigus Bay to Canada Bay — \$400,000; Baie Verte Peninsula — \$250,000; Harbour Breton to Bay d'Espoir — \$45,000; North Harbour to Branch — \$300,000.

The Board has paid out more than 90 per cent of its \$9 million commitment under the Second Agreement. Roads being constructed are: Burin to Marystown — \$450,000; Trinity South — \$190,000; Bonavista-North Valleyfield-Wesleyville — \$75,000; Rocky Harbour to Ste. Barbe Peninsula — \$225,000; Baie Verte Peninsula — \$150,000; Harbour Breton to Bay d'Espoir — \$135,000; North Harbour to Branch — \$250,000; completion Bay d'Espoir Road — \$3,200,000; Port aux Basques to Burnt Island — \$1,200,000;; completion Wiltondale to Rocky Harbour — \$700,000; Clarenville, Georges Brook, Lethbridge, Southern Bay — \$650,000; Ferry Terminal to Twillingate — \$500,000; Gander River Bridge to Gander Bay — \$350,000; Goose River Bridge — \$300,000; Bay Bulls to Trepassey — \$250,000; Lawn to Grand Bank — \$250,000; Holyrood Pond Bridge — \$125,000.

At March 31, 1968, the Board had made no payments to Newfoundland under the Third Agreement. Roads included are: Bay d'Espoir towards Bishop's Falls — \$675,000; Lethbridge towards Southern Bay — \$750,000; Gander to Gander Bay — \$750,000; Marystown towards Goobies — \$1,575,000; South Side Grand Bank towards Frenchmen's Cove — \$1,275,000; Rushoon, Piper's Hole, Black River bridges — \$300,000; St. Alban's towards Harbour Breton — \$1,350,000; Michael's Harbour to Campbellton — \$450,000; Gambo to Traverse Brook — \$375,000.

A special highway project in Newfoundland related specifically to industrial development is the Board's sharing with the province the cost of con-

structing a road from the new phosphorus plant at Long Harbour to Argentia-Placentia. By connecting Long Harbour and the extensively settled area of Argentia-Placentia, the major expense of constructing a new town site at Long Harbour was avoided. About one-third of the Board's \$1 million commitment on this project had been met by the end of 1967-68.

### *Prince Edward Island*

Prince Edward Island's \$1 million share of the first program was allotted to the Albany-Miscouche highway on a 75-25 share basis. All of this money has been spent.

More than 90 per cent of the \$3 million commitment under the Second Agreement has been paid. Included in this program are: Albany to Miscouche — \$525,000; Miscouche to Day's Corner — \$375,000; Cherry Valley to Poole's Corner — \$975,000; Morrell Bridge — \$150,000; Cardigan — \$150,000; Bedeque Road at Country Lane — \$300,000; Bloomfield — \$525,000.

As of March 31, 1968, no payments had been made to Prince Edward Island by the Board under the Third Agreement. Ten projects comprise the program: Poole's Corner to Georgetown, and Poole's Corner to Montague — \$487,500; Traveller's Rest to Kensington — \$356,250; Kensington to Winsloe — \$412,500; Charlottetown to Winsloe — \$393,750; Charlottetown towards Morrell — \$337,500; Grand River Bridge — \$15,000; Souris West Bridge — \$30,000; Bay View Bridge — \$135,000; Anderson Bridge and approaches — \$82,500; Day's Corner to Richmond — \$250,000.

In addition to the three trunk highway programs, the Board agreed to pay 90 per cent of the cost, up to a total of \$675,000, of paving access roads to selected fishing points in Prince Edward Island. This commitment, more than 80 per cent completed at the end of fiscal 1967-68, was made because of special conditions on the Island. Unsurfaced roads become almost impassable during spring break-up. The lobster season opens in early May, and movement of gear to boats, and lobster from boats, becomes extremely difficult. The season is short, but the catch valuable and it is imperative that no fishing time be lost. The same problem exists for Irish Moss harvesters, oyster fishermen and others.

## **Electric Power Development**

While no new commitments were made during 1967-68, the year was, in many ways, the most important since 1964 when the Board approved grants of \$20 million each to the Mactaquac project in New Brunswick and the Bay d'Espoir development in Newfoundland. Payment of these grants, the two largest ever made by the Board towards single projects, were completed during the year, as the first stages of these power developments came on stream, Bay d'Espoir in the spring of 1967 and Mactaquac in the spring of 1968. The Board also made the first payments on its \$12 million grant towards the 150,000 kilowatt extension to the Nova Scotia Power Commission's thermal plant at Trenton. At March 31, 1968, the Board had paid out \$46,456,583 of its total \$60,412,800 commitment for power development.

Located on the Saint John River, 14 miles above Fredericton, the \$120 million Mactaquac project is the largest engineering work ever undertaken in New Brunswick. With the installation by 1976 of six turbines, Mactaquac's generating capacity will be 600,000 kilowatts, nearly one and a half times greater than the entire generating capacity of the province in 1964.

As with Mactaquac, the Board's \$20 million grant towards Bay d'Espoir enabled the Newfoundland and Labrador Power Commission to raise capital at rates more favourable than otherwise would have been possible, have power available at reasonably low rates, and make an early start on a large-scale project. The first stage was completed on Oct. 22, 1967, when the last of three 100,000 horsepower units went on stream. Work on the second 300,000 HP second stage started during the summer of 1966 and is scheduled for completion late in 1969. The cost of the first stage, including transmission grid, was approximately \$88 million. The second stage will cost about \$79 million, including \$17 million for extension of the transmission grid, bringing total cost of the project to about \$167 million.

As part of its power development program, Newfoundland has standardized transmission at 60 cycles, the standard North American frequency. However, certain equipment in the province's pulp mills requires 50-cycle power, the frequency at which most of Newfoundland's power was formerly generated. To assist the power commission with its conversion program the

Board granted \$4 million towards purchase and installation of three frequency converters, all but \$181,000 of which was paid by the end of 1967-68.

The Board's \$12 million grant to the Trenton thermal plant, largest in the Atlantic region, will significantly lower the cost of producing power, savings which will be used by the Nova Scotia Power Commission to reduce the average cost of power for industry, especially power-intensive industries which require the lowest possible power rates to be competitive. Total cost of the project is estimated at \$27 million and the scheduled completion date is November 1969.

In Prince Edward Island, the Board's policy of assisting in the reduction of long-term power costs originally took the form of agreeing to install a submarine cable connection between the Island and the Maritime Power Pool, as recommended by special studies commissioned by the Board. With the announcement that a causeway would be constructed across Northumberland Strait, it was decided that the inter-provincial power connection should be carried over this structure at an estimated cost of \$4.3 million. With the subsequent reappraisal of the causeway design, it became necessary for the Board and the province to reopen the question of the best means of meeting Prince Edward Island's long- and short-term power requirements. No decision had been reached at the end of 1967-68.

## Industrial Water Supplies

Until 1967-68 all but a small fraction of the funds the Board had approved for water supplies for industries located outside industrial parks or other resource-processing sites, were for fish plants, more than half of them in Newfoundland. In the last fiscal year, however, a considerable shift in emphasis took place. While new commitments totalling \$1.1 million were undertaken to supply water to fish plants in the Newfoundland communities of Dildo South, Old Perlican and Port de Grave and North Rustico, P.E.I., commitments to provide water to other than fish processing plants came to more than \$5.5 million. At the end of 1967-68 more than 25 per cent of the Board's commitments of \$20.7 million for industrial water supplies were for a variety of enterprises unconnected with the fishing industry, a proportion that is likely to increase substantially during 1968-69.

The reasons for the change are essentially three-fold.

First, the Board's program of providing water for the major fish plants is gradually coming to an end. In 1965, with the introduction of new regulations under the Fisheries Inspection Act requiring a higher standard of purity for water used to process fish for export, many plants in the region were faced with a serious situation, due to the inadequacy of supply of suitable water. Failure to comply with the new regulations could have meant closure of the plants. At the same time, many fish companies, European and American as well as Canadian, were making plans to locate new plants in the region and to expand existing ones. The Board, therefore, undertook to provide new water systems to the plants whose needs were most critical and to carry out surveys to determine the requirements of all the major plants and how these might best be met.

The costs of permanent water supplies of this kind are heavy and are usually beyond the financial capacities of both the fish company and the small communities in which the plants are located. The Board's policy has been, in most cases, to pay for the total cost of the water systems. The completed facilities are turned over to the province to maintain and operate, with the province collecting reasonable user charges. The systems are designed with sufficient capacity to serve existing needs of the fish plant and permit expansion in the future; where technically feasible, capacity is also provided to enable the community to tie in at its own expense.

Besides maintaining employment and output by chasing companies to comply with the new fisheries regulations, the Board's policy, along with expenditures by other government agencies, has encouraged plants to modernize and expand their facilities, acquire trawlers and shift from the inshore to the offshore fishery. It has also helped to attract new plants to the region.

Second, the period of rapid increase in the number of fish processing plants is also coming to an end. Lower prices for fish have acted to restrict the number of new plant openings, but even with the inevitable upswing in prices as supply and demand come more into balance, there is not likely to be any substantial addition to the present number of plants. Rather, future increases in fish landings are expected to be handled through expansion of existing facilities.

Third, early in 1967-68, the Board began to explore the possibility of its becoming involved in area water infrastructure — the provision of water for an entire area for a variety of uses, commercial and residential, as well as industrial. At the same time, the Board was receiving an increasing number of applications from the provinces to provide water to new non-fish-processing industries. It was recognized that meeting these requests would represent a departure from the Board's existing policy, reached under what amounted to emergency conditions, of supplying water to fish plants. After recognizing that neither the provinces nor the municipalities had the financial resources to undertake these expenditures, and that to require private industry to finance its own water systems would constitute a major impediment to economic development, the Board agreed to assist a number of projects, not with outright grants, as was being done with fish plants, but on the basis of loans to the provinces. The province concerned would collect user charges and amortize the loan over 30 years, with the Board assuming a substantial share of the cost of any spare capacity in the water system during the first ten years.

Under this formula, the Board committed, during 1967-68, assistance for several locations, including \$1,250,000 to supply water to a new phosphorus plant at Long Harbour, Nfld., and \$1,250,000 for a pulp mill at Nackawic, N.B.

During the year, the Board considered a request by the Halifax Public Service Commission for an \$8-million grant, nearly half the estimated cost of developing a new water supply for the City of Halifax and its western suburbs. Before deciding on the application, the Board authorized studies, both by staff and private consultants, to determine the best method of meeting the long-term water needs, not merely of the area served by the Halifax Public

Service Commission, but of the entire Halifax-Dartmouth metropolitan area. These studies were completed late in the year and were to be followed by further discussions with provincial and municipal officials. A final decision is expected during 1968-69.

## Industrial Parks and Sites

Much of the secondary and major service industry attracted to the region in recent years has located in industrial parks and resource-processing sites financed in whole or in part by the Board. Along with the lack of plentiful supplies of power at reasonable prices and modern, all-weather highways, a major shortcoming in the region until very recent years was the absence of properly serviced, centrally located industrial land.

The development of industrial areas serviced with power, water and sewage facilities, road and rail access, requires large capital outlays in advance of the establishment of new industries. Consequently, municipalities may wait a long time before recovering capital costs through lease or sale of such lands, or from improved tax revenue. Moreover, most municipalities find it extremely difficult to finance the initial phase of industrial park development. In some cases, even with Board assistance, municipalities are still forced to borrow money from the provincial governments to finance their share of the cost of a park.

Recognizing that industrial parks and sites are a fundamental part of the region's infrastructure, the Board has committed about \$9.5 million for these developments. Centres selected for parks and sites have been chosen in consultation with the provinces to ensure that they conform with provincial development plans, and after individual studies, where appropriate.

The Board has followed the policy of requiring municipal and/or provincial participation in these projects. The Board also believes that it is desirable to preserve flexibility in the degree and method of sharing in the financing of individual parks. In metropolitan areas, such as Halifax, Dartmouth, Saint John, Fredericton and Moncton, there is a need for development of general purpose, speculative industrial parks expected to attract a number of varied industries over a period of years. The Board has normally granted one-third of the total cost of developing parks of this type. Greater assistance has been given in areas where the costs would be peculiarly burdensome to the park authority, as at Amherst. At Point Edward, near Sydney, the park is federally owned and the Board has financed the first phase of development.

There are other cases, usually in rather small communities, where industrial development is based on the processing of a local resource, a situa-



tion somewhat similar to that met in areas dependent upon non-processing plants. The Board has considered that in suitable cases it should finance the larger part of the cost of basic services to these resource-processing industries. This was done at Woodstock, Hartland and Sussex in New Brunswick.

The Board's practice is that all assistance is covered by a formal agreement with the provincial government. In some cases, the facilities are owned and operated directly by a provincial agency, such as Industrial Estates Ltd. in Nova Scotia or the New Brunswick Development Corp. In others, the facilities are owned and operated by a municipality or a municipal industrial commission. The provincial government accepts the responsibility for ensuring that the parks are maintained and operated in the best interests of the people of the province.

The Board has committed financial assistance in the following centres: Saint John, N.B. — \$450,000; Fredericton, N.B. — \$400,000; Moncton, N.B. — \$400,000; Dorchester Point, N.B. — \$1.5 million; Milltown, N.B. — \$100,000; Woodstock, N.B. — \$275,000; Hartland, N.B. — \$125,000; Sussex, N.B. — \$337,000; Amherst, N.S. — \$350,000; Truro, N.S. — \$200,000; Dartmouth, N.S. — \$787,500; Halifax County, N.S. — \$560,000; Stellarton, N.S. — \$700,000; Point Edward, N.S. — \$3,170,000; Summerside, P.E.I. — \$150,000.

## Capital Facilities for Applied Research

A further handicap to economic development in the Atlantic region has been lack of facilities and personnel to undertake industrial research to keep products and techniques abreast of technological change. Only the largest firms are able to finance their own research facilities; smaller companies must purchase these services or go without. The need for increased industrial research is a national problem, but it is more serious in the Atlantic region.

After consultation with the provincial governments and the relevant federal agencies, the Board concluded that support to the Nova Scotia Research Foundation and the New Brunswick Research and Productivity Council, the only provincial research organizations in the region, was the most practical way to provide these services to industry. To avoid unnecessary duplication of facilities or services, and to ensure wise expenditures of funds, detailed discussions were held with the two organizations and the interested federal agencies. It was agreed that the facilities would be used for research on problems in all four Atlantic Provinces.

A grant of \$2,350,000 was approved for the Nova Scotia Research Foundation, the bulk of which was earmarked for a laboratory at Dartmouth which will also serve as the headquarters of the Foundation. Construction of this building is well underway. Two other laboratories, for research on timber structures and ceramics, located on the campus of the Nova Scotia Technical College at Halifax, were nearing completion at the end of 1967-68. In addition, the Board last year approved a grant of \$50,000 for a modern ore-dressing pilot plant, which is also to be situated at the Technical College.

The New Brunswick Research and Productivity Council received a grant of \$1,887,179 for a laboratory building and equipment located on the campus of the University of New Brunswick at Fredericton. A further grant of \$50,000 is being made to equip a geochemical laboratory established by the provincial Department of Natural Resources.

Another regional problem is the lack of highly trained personnel required both by the provincial research organizations and by industry. Accordingly, after discussions with provincial and academic authorities, the National Research Council and the Economic Council of Canada, the Board agreed

to contribute to the improvement and extension of the post-graduate research facilities at the University of New Brunswick and Dalhousie University in Halifax. Grants of \$1.5 million are to be made to UNB for research buildings and equipment in the natural and social sciences, and \$2 million to Dalhousie towards the provision of an aquatron to study the marine and biological sciences.

The Board's total commitment for research facilities for both universities and the two provincial research organizations is \$7,837,179, of which \$2,332,869 had been paid as of March 31, 1968.

## Miscellaneous Projects

### *Strait of Canso Development, N.S.*

Late in the fiscal year, after months of negotiations, several federal departments and agencies reached agreement with the Nova Scotia government and the British American Oil Co. Ltd. for the construction of a \$50 million, 60,000 barrel-a-day oil refinery at Point Tupper on Cape Breton Island, an industry that is expected to become the cornerstone of a large petrochemical complex. The federal government will assist the project through the Board, the Cape Breton Development Corp., the Department of Public Works and the Area Development Agency. The Board's contribution of \$4,395,000 will be used to finance a water supply system for the industrial complex and provide a grant representing half the cost of certain road and rail facilities to the industrial area.

### *Mapping and Land Registration*

Also announced late in 1967-68 were Board grants of \$3,977,000 to assist the four provinces with a surveying, mapping and land registration program. The grants — \$1,446,000 to New Brunswick, \$1,008,000 to Prince Edward Island, \$923,000 to Nova Scotia and \$600,000 to Newfoundland — cover the years 1968-69 and 1969-70, but the complete program will extend over 10 to 15 years at an estimated cost of up to \$20 million. The Board indicated that if additional assistance were extended beyond the initial two-year period, it be on a cost-sharing basis with the provinces.

There is a pressing need for the mapping and land registration program if the economic development of the region is to proceed in a sound and planned way. Because of early haphazard and unplanned allocations of land, lack of fixed co-ordinates upon which to base land descriptions and maps, and a land title system that permits overlaps and gaps, land records are incomplete and totally inadequate for the needs of a modern, expanding economy. Replacing the costly and inefficient system of title searching and deed registration will be the Torrens System, in use in the United States, Ontario and the Western Provinces. Its principle is that land is permanently registered, permitting the registrar of titles to provide quickly and accurately the material facts of ownership and boundaries. An integral part of the new system will be one or more data banks for the storing of a wealth of information through use of computers. In addition to information on land titles,

the banks will record and store data on engineering services, such as the routes of highways, sewers, water and power lines, related to specific land markers. Detail of this type and the ability to relate it graphically is considered essential to any form of comprehensive land use planning.

### *Fund for Pollution Control*

The Board has been particularly concerned with the problem of industrial pollution from existing plants and its detrimental effect on the economic development of the region. In 1965, the Board received approval for an amount of \$2 million for assistance to existing firms in the Atlantic region for the abatement of industrial water pollution on fresh water stretches of Atlantic rivers. The amount of assistance to an individual firm is based on a formula worked out by the Atlantic Regional Advisory Committee on Industrial Water Pollution, whereby the payment is related to the abatement of biochemical oxygen demand (B.O.D.) of plant effluent. Membership on the committee includes a representative from each provincial Water Authority, the Board and the federal Departments of Fisheries, National Health and Welfare, and Energy, Mines and Resources.

By the end of 1967-68, only two payments had been made from the anti-pollution fund. The first of these was to a New Brunswick meat packing firm; the second to a Prince Edward Island creamery. A number of other applications have been made in respect of pollution control programs underway by various firms.

The biochemical oxygen demand (B.O.D.) program provides assistance related to the reduction of plant effluent. The payment is not based on the capital cost of the facilities and represents a varying proportion of those costs. The fact that relatively few of the firms eligible under the program have come forward with pollution control plans reflects, in part, the financial problem faced by these companies in undertaking the necessary expenditures.

During the year, very significant progress was made by the Province of New Brunswick in plans for bringing pollution of the Saint John River under control. The Board expects to participate in this program from its special pollution fund, and also played a co-ordinating role in this joint federal-provincial-industry scheme.

### *Grant to Nova Scotia re Sydney Steel*

In October 1967, Dominion Steel and Coal Corp. Ltd. announced its decision to close the Sydney steel plant, which, along with the coal industry,

provides the economic mainstay of industrial Cape Breton. Following the decision of the provincial government to purchase and operate the mill as a Crown Corporation, Parliament voted \$2 million to the Board as a grant to Nova Scotia to assist in defraying the operating expenses of the plant. At the same time, the government decided to turn over to the provincial government its claim for the \$2 million which the Board had previously invested in providing bulk-handling facilities for Dosco's use.

#### *Special Assistance for Bell Island, Nfld.*

Following the closing by Dosco of its iron-ore mining operations at Wabana, the sole industry on Bell Island, a federal interdepartmental committee headed by Dr. Weeks, Executive Director of the Board, was appointed by the Cabinet to investigate all aspects of the problem, in close consultation with the provincial government. After extensive efforts to have private interests reopen the mine failed, the committee concluded there was no possibility of re-establishing a viable economic base on the Island and recommended special assistance, over and above that available under existing programs, to encourage the workers and their families to move off the Island to areas where the employment opportunities were more favourable.

As part of this special assistance, Parliament voted to the Board a \$1.5 million fund to purchase, for \$1,500 each, the houses of Bell Islanders who agreed to relocate. The Board was to assume 75 per cent of the cost and the provincial government 25 per cent. By March 31, 1968, the Board had paid out \$234,000. Of the \$250,000 which Parliament voted to the Board to supplement existing manpower mobility programs, \$61,000 had been paid by the end of the fiscal year.

#### *Production for Export Program*

About 90 per cent of the more than \$18 million which the Board has committed for miscellaneous projects is accounted for by the five items listed above. The remaining 10 per cent is made up of a number of smaller projects. Specific mention need not be made of them, other than to state that most share the characteristic of relating to a particular local need for which there are few if any parallels elsewhere in the region.

An exception is the Production for Export Program. Involving initially the expenditure of \$45,000, it is significant for at least two reasons. First, it is one of the few projects undertaken by the Board outside the realm of infrastructure. Second, it exemplifies the kind of intra-government and inter-government co-ordination with private industry that must be encouraged and expanded if a concerted, co-ordinated effort is to be made on the problems of the region.

The first step in the program consists of providing technical assistance in seeking out firms with an export potential and reimbursing the provinces for 75 per cent of their costs of participating in the Eastern States Exposition at Springfield, Mass., in September 1968. The program will not be a "one-shot affair", but is to be part of a continuing contribution to the development of the region, complementing the promotional activities of the federal Department of Trade and Commerce. M. R. M. Dale, former Canadian Trade Commissioner in Boston, has been assigned to work with the Board, and other specialists from the department will be available on an advisory basis. It is the feeling of the Board and the provincial governments that exports from the region can be increased considerably by the tailoring of production to the demands of export markets, by adopting scientific marketing methods and by keeping abreast of technological change through increased research.

## LONG TERM PLANNING

The Board's planning activities represent the federal government's first systematic effort in comprehensive regional planning. The basic aims of this activity are to identify the potential of each sector of the regional economy; to formulate policy recommendations for achieving this potential; to integrate the various sector studies into a single comprehensive and internally consistent plan for the regional economy; and to indicate the implications of the plan for employment, income and population. To tie the sector studies together, an input-output model of the regional economy is being used to show the inter-relationships between the various sectors, indicating how developments in any one sector may be expected to influence activity in any other sector. In addition to containing a comprehensive set of mutually consistent policy proposals for the region as a whole, the plan will lend itself to formulation of separate plans for each of the four Atlantic Provinces, prepared after detailed discussions with provincial officials.

The plan will serve as a guideline for the Board in making its recommendations on development projects. It will also provide a framework which will be of assistance to other federal agencies and provincial authorities in formulating their long-term development policies and the priorities to be attached to specific programs. The private sector, too, should find the plan of help by identifying areas for new investment. The Board authorized more than 20 separate studies in the preparation of its plan. Some of these were carried out by Board staff, some by other federal departments and agencies, and others by private consultants.

As was stated earlier, the Board's Planning Division was set up in the summer of 1965. The balance of that year was spent in elaborating a work program for the Division, recruiting staff, establishing liaison with federal and provincial government agencies, and reviewing the considerable amount of research that has been done on the Atlantic economy by other government agencies, private organizations and academics. By the spring of 1966 a series of studies was begun to fill gaps in information, a task that is continuing to the present.

The terms of reference for the Board's planning function as set out in the Act are expressed in general terms — "to prepare, in consultation with the Economic Council of Canada, an overall co-ordinated plan for the pro-



motion of the economic growth of the Atlantic region". This was interpreted by the Board to mean that the goal of economic policy for the region should be: to accelerate the rate of growth in output, income and employment in order to bring the region more into line in economic welfare and opportunity with the rest of Canada.

The development plan the Board is preparing is based on the following premises:

1. The primary emphasis of economic policy should be to achieve the maximum development of activity that is economically viable in the long run, without excluding short-run assistance to bring into operation enterprises judged capable of becoming viable. This implies building on the region's competitive cost advantages rather than propping up the traditional structure of industry.

2. Development policy and economic planning should be within a regional context.

3. The kind of development that should be encouraged should be evaluated not only in terms of its benefits to the region, but also its costs to the nation as a whole: regional planning should also be carried out in a national context.

4. To the extent that disparities cannot be adequately reduced by the promotion of economically viable activity, special supplementary measures may be justified.

During 1967-68 most of the sector studies were completed and analyzed by staff and then presented to the Board members for discussion and guidance. In October 1967, staff prepared a preliminary statement on the policy implications which were likely to emerge from the work of the Planning Division. This memorandum, subsequently updated several times, came to occupy an increasing amount of the Board's attention. It was the Board's intention during 1968-69 to publish various sector studies and prepare a preliminary development strategy for the region in consultation with the provincial governments and the other federal departments and agencies concerned.

## TECHNICAL AND ECONOMIC SURVEYS AND STUDIES

The Board, whenever possible, utilizes the results of the research conducted by other government agencies, both federal and provincial. Where no government agency is in a position to carry out a project on behalf of the Board, it contracts with a research organization to have the job done. Generally, the Board's research projects are of two types: first, those which are carried out for a specific purpose and to meet an immediate need, such as an engineering study on the water supply for a fish plant or a survey of an area's industrial park needs; second, those which examine a sector or one aspect of the provincial or regional economy in order to develop long-range policies, the comprehensive study being made of the water resources of the region and the examination of the structure and function of urban centres in the region being but two examples.

There is a third type of research project in which the Board, while not participating financially, acts in a supervisory or co-ordinating capacity. An example is the Atlantic Provinces Integrated Transportation Study, a 12-volume report of the transportation problems of the region which was financed by the Department of Transport but largely supervised and co-ordinated by Board staff. Finally, in at least one important instance, the Board has undertaken research which led to more comprehensive investigations financed by other government agencies: the Atlantic Tidal Power Programming Board's studies into the engineering and economic feasibility of developing tidal power in the Bay of Fundy followed directly earlier studies by the ADB into foundation conditions in the Shepody Bay-Cumberland Basin and Minas Basin areas. A member of this Board is Dr. Weeks, the ADB's Executive Director.

Altogether, the Board has commissioned about 70 studies. A list of those completed or in the course of preparation is contained on pages 45-48 of this report.

# AUDITOR GENERAL OF CANADA

*Ottawa, June 28, 1968.*

TO: THE ATLANTIC DEVELOPMENT BOARD  
THE MINISTER OF NATIONAL HEALTH AND WELFARE

I have examined the accounts and financial transactions of the Atlantic Development Board for the year ended March 31, 1968 in accordance with Section 18 of the Atlantic Development Board Act. My examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as I considered necessary in the circumstances.

The attached Statement of Expenditure has been prepared for the first time this year and is a summary of all financial transactions of the Board for the year with comparative figures for the previous year and cumulative totals to March 31, 1968. Supporting schedules provide details of Projects Approved and Cumulative Expenditure from the Atlantic Development Fund (Schedule 1), of the Trunk Highway Program Expenditure from Parliamentary Appropriations (Schedule 2) and of Planning, Programming, Professional and Technical Services and General Administration Expense (Schedule 3).

In my opinion, the Statement of Expenditure and the supporting schedules present fairly a summary of the financial transactions of the Board for the year ended March 31, 1968.

A. M. HENDERSON,  
*Auditor General of Canada*

**Statement of Expenditure for the year ended March 31, 1968**  
 (with comparative figures for the year ended March 31, 1967  
 and cumulative figures from the establishment of the Board  
 on December 20, 1962 to March 31, 1968)

	1968	1967	Cumulative to March 31, 1968
<i>Program Expenditure</i>			
Atlantic Development Fund (Schedule 1)			
Power .....	\$ 7,395,541	\$21,614,734	\$46,456,583
Trunk highway program .....	1,280,579	2,705,303	9,643,341
Access roads .....	144,389	410,817	555,206
Water supply and/or sewage systems .....	3,766,376	2,077,162	6,956,884
Industrial park facilities .....	1,507,211	2,381,360	4,004,745
Research facilities .....	1,851,252	349,029	2,332,869
Miscellaneous projects .....	2,679,528	21,455	2,733,084
Sundry expenditure .....	3,552	7,100	14,374
(Note 1) .....	<u>18,628,428</u>	<u>29,566,960</u>	<u>72,697,086</u>
Parliamentary appropriations of the Department of Transport			
Vote 112 of 1965-66 and Vote 95a of 1967-68			
Trunk highway program			
(Schedule 2) .....	19,283,085	8,556,812	29,935,344
Vote 100a (Note 2)			
Special housing assistance to residents of Bell Island .....	234,000	—	234,000
Mobility assistance to residents of Bell Island moving to other parts of Canada .....	61,004	—	61,004
Vote 92c			
Grant to the Government of Nova Scotia to assist in defraying the expenses of operating the former Dominion Steel and Coal Corporation Limited Steel Plant at Sydney, N.S. ....	<u>2,000,000</u>	<u>—</u>	<u>2,000,000</u>
	<u>21,578,089</u>	<u>8,556,812</u>	<u>32,230,348</u>
Total expenditure on programs, projects, etc.	40,206,517	38,123,772	104,927,434
<i>Administration and Operation Expenditure</i>			
Planning, programming, professional and technical services and general administration (Schedule 3) .....	<u>2,265,015</u>	<u>1,866,979</u>	<u>5,845,323</u>
Total Expenditure .....	\$42,471,532	\$39,990,751	\$110,772,757

NOTES:

1. Authorized limit of the Atlantic Development Fund is \$150,000,000. Outstanding commitments at March 31, 1968 totalled \$51,971,768 (Schedule 1) leaving an uncommitted balance in the Fund of \$25,331,146.
2. The maximum amount remaining available under Department of Transport Vote 100a for assistance to residents of Bell Island amounted to \$1,454,996 at March 31, 1968.

Certified correct:

Approved:

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E. P. WEEKS

I. M. MACKEIGAN

*Executive Director*

*Chairman*

I have examined the above Statement of Expenditure and related Schedules for the year ended March 31, 1968 and have reported thereon under date of June 28, 1968 to the Atlantic Development Board and the Minister of National Health and Welfare.

A. M. HENDERSON

*Auditor General of Canada*

**Statement of Projects Approved and Cumulative Expenditure from the Atlantic Fund from the establishment of the Board on December 20, 1962 to March 31, 1968**

	<i>Projects Approved</i>	<i>Cumulative Expenditure to March 31, 1968</i>	<i>Outstanding Commitments</i>
<i>Power</i>			
Bay d'Espoir, Nfld. —			
Hydro-electric power development ..	\$20,000,000	\$20,000,000	\$
Mactaquac, N.B. —			
Hydro-electric power development ....	\$20,000,000	\$20,000,000	
Nova Scotia Power Commission —			
Thermal power plant at Trenton, N.S.	12,000,000	2,461,849	9,538,151
Power cable to link Prince Edward Island with mainland .....	4,300,000	63,043	4,236,957
Newfoundland and Labrador Power Commission — Conversion to 60 cycles .....	4,000,000	3,818,891	181,109
Maccan to Amherst, N.S. — Grant towards cost of power line .....	112,800	112,800	
	<u>60,412,800</u>	<u>46,456,583</u>	<u>13,956,217</u>
<i>Trunk Highway program</i>			
Province of New Brunswick .....	3,000,000	3,000,000	
Province of Newfoundland .....	3,000,000	3,000,000	
Province of Nova Scotia .....	3,000,000	2,643,341	356,659
Province of Prince Edward Island .....	1,000,000	1,000,000	
	<u>10,000,000</u>	<u>9,643,341</u>	<u>356,659</u>
<i>Access roads to selected fishing ports</i>			
Province of Prince Edward Island .....	<u>675,000</u>	<u>555,206</u>	<u>119,794</u>
<i>Water Supply and/or sewage Systems</i>			
Fortune, Harbour Grace, Port Union, Fermeuse and Isle aux Morts, Nfld.	2,934,000	1,232,396	1,701,604
Trepassey, Bay de Verde, Burgeo, Gaultois, St. Anthony, Englee and Twillingate, Nfld. ....	2,657,000	706,294	1,950,706
Mooring Cove, Nfld. ....	1,262,000	1,103,420	158,580
Long Harbour, Nfld. — Phosphorus Plant	1,250,000	78,878	1,171,122
Nackawic, N.B. ....	1,250,000		1,250,000

Dalhousie Area, N.B. ....	1,100,000		1,100,000
Shelburne, N.S. ....	890,000	49,139	840,861
Georgetown, P.E.I. ....	850,000	762,893	87,107
Alder Point, N.S. ....	833,000	23,566	809,434
Canso, N.S. ....	775,420	763,909	11,511
Black's Harbour, Wellington, Beaver Harbour, N.B. ....	690,000		690,000
Falmouth, N.S. ....	600,000		600,000
Florenceville, N.S. ....	565,000		565,000
Shippegan, N.B. ....	505,546	474,084	31,462
Middle East Pubnico, N.S. ....	487,000	29,500	457,500
Dildo South, Nfld. ....	477,000		477,000
Bonavista, Nfld. ....	292,000	269,941	22,059
North Rustico, P.E.I. ....	282,000	36,365	245,635
Woodstock, N.B. ....	275,000	248,471	26,529
Old Perlican, Nfld. ....	270,000	17,773	252,227
Lockeport, N.S. ....	255,000	30,610	224,390
East River in Lunenburg County, N.S.	250,000		250,000
Ramea, Nfld. ....	245,000	14,187	230,813
Riverport, N.S. ....	242,000	139,478	102,522
Lower East Pubnico, N.S. ....	220,975	204,399	16,576
Montague, P.E.I. ....	190,000	137,869	52,131
Port Mouton, N.S. ....	154,286	139,687	14,599
Newtown, Nfld. ....	150,000	131,602	18,398
Cheticamp, N.S. ....	140,000	95,873	44,127
Hartland, N.B. ....	125,000	120,894	4,106
Milltown, N.B. ....	100,000	100,000	
Grand Etang, N.S. ....	46,629	45,656	973
	<hr/>	<hr/>	<hr/>
	20,363,856	6,956,884	13,406,972
	<hr/>	<hr/>	<hr/>

## Industrial Park Facilities

Point Edward, N.S. ....	3,170,000	1,005,687	2,164,313
Dorchester, N.B. ....	1,500,000	1,250,000	250,000
Burnside (Dartmouth), N.S. ....	787,500		787,500
Stellarton, N.S. ....	700,000	600,000	100,000
Lakeside, N.S. ....	560,000	209,984	350,016
Saint John, N.B. ....	450,000	222,656	227,344
Moncton, N.B. ....	400,000	88,039	311,961
Fredericton, N.B. ....	400,000		400,000
Amherst, N.S. ....	350,000	350,000	
Truro, N.S. ....	200,000	160,359	39,641
Summerside, P.E.I. ....	118,327	118,020	307
Sydney, N.S. ....	75,000		75,000
	<hr/>	<hr/>	<hr/>
	8,710,827	4,004,745	4,706,082
	<hr/>	<hr/>	<hr/>

## Research Facilities

Financial assistance for new research  
laboratories, equipment, etc.

Halifax — Dartmouth, N.S. ....	2,350,000	860,305	1,489,695
Dalhousie University Aquatron, N.S.	2,000,000		2,000,000
Fredericton, N.B. ....	1,887,179	1,448,539	438,640
University of New Brunswick, Fredericton, N.B. ....	1,500,000		1,500,000
Provincial Department of Natural Resources, N.B. — geochemical laboratory .....	50,000	24,025	25,975
Nova Scotia Technical College, Halifax, N.S. ....	50,000		50,000
	<u>7,837,179</u>	<u>2,332,869</u>	<u>5,504,310</u>

## Miscellaneous Projects

Strait of Canso Development, N.S. —	4,395,000		4,395,000
Map and Land registration .....	3,977,000		3,977,000
Bulk handling facilities at Dosco plant, Sydney, N.S. ....	2,001,301	2,000,650	651
Abatement of industrial water pollution .....	2,000,000	19,897	1,980,103
Assistance to Nova Scotia for settling- in assistance to industry .....	1,200,000		1,200,000
Highway, Long Harbour to Argentia- Placentia area, Nfld. ....	1,000,000	304,085	695,915
Assistance towards construction of causeway, Pictou County, N.S. ....	750,000		750,000
Confederation Centre, Charlottetown, P.E.I. ....	600,000	277,000	323,000
Assistance in construction of basic services for food processing, Sussex, N.B. ....	337,000		337,000
Port de Grave, Nfld. ....	100,000	6,057	93,943
Boglands clearing, Burin Peninsula, Nfld.	87,891	16,039	71,852
Provision of basic services, Dover Flour Mills, Halifax, N.S. ....	64,000		64,000
Repairs to marine railway, St. Anthony, Nfld. ....	60,000	60,000	
Causeway construction, Montague, P.E.I. ....	40,000	40,000	
Rail spur line, Summerside, P.E.I. ....	32,000		32,000
Water pollution metering equipment —	10,000	9,356	644
	<u>16,654,192</u>	<u>2,733,084</u>	<u>13,921,108</u>

Sundry Expenditure .....	<u>15,000</u>	<u>14,374</u>	<u>626</u>
	\$124,668,854	\$72,697,086	\$51,971,768



## ATLANTIC DEVELOPMENT BOARD

**Statement of the Trunk Highway Program Expenditure  
from Parliamentary Appropriations cumulative to March 31, 1968**

	<i>Approved By the Governor in Council</i>	<i>Cumulative Expenditure To March 31, 1968</i>	<i>Outstanding Commitments</i>
(Note)			
Province of New Brunswick .....	\$16,500,000	\$12,119,390	\$ 4,380,610
Province of Newfoundland .....	16,500,000	8,441,315	8,058,685
Province of Nova Scotia .....	16,500,000	6,623,889	9,876,111
Province of Prince Edward Island .....	5,500,000	2,750,750	2,749,250
	<u>\$55,000,000</u>	<u>\$29,935,344</u>	<u>\$25,064,656</u>

NOTE: The amounts approved by the Governor in Council represent the federal share of costs with respect to the second and third agreements entered into with the above-mentioned provinces under this Program for which funds were provided by Department of Transport Vote 112 of 1965-66 and Vote 95a. The federal share of costs approved by the Governor in Council in the amount of \$10,000,000, with respect to the first agreement has been disbursed from the Atlantic Development Fund (see Schedule 1). Outstanding commitments under the first agreement amounted to \$356,659 at March 31, 1968.

## ATLANTIC DEVELOPMENT BOARD

Statement of Administration and Operation Expense  
for the year ended March 31, 1967(with comparative figures for the year ended March 31, 1967  
and cumulative figures from the establishment of the Board  
on December 20, 1962 to March 31, 1968)

	1968	1967	Cumulative to March 31, 1968
Planning, Programming and General Administration			
Salaries .....	\$ 583,174	\$ 437,601	\$ 1,440,829
Employee benefits .....	32,710	25,249	81,355
Travel and removal expenses .....	52,069	51,257	166,853
Accommodation .....	39,400	18,100	99,400
Accounting services .....	35,100	23,400	76,200
Office equipment and supplies .....	34,712	25,965	92,224
Telephone and telegraph .....	21,610	20,308	57,324
Other .....	28,900	11,224	59,985
Professional and Technical Services .....	1,437,340	1,253,875	3,771,153
Total Expense .....	\$ 2,265,015	\$ 1,866,979	\$ 5,845,323
Total Expense provided for by —			
Department of Transport Vote 90 .....	\$ 2,190,515	\$ 1,825,479	\$ 5,669,723
Government departments which pro- vided accommodation and account- ing services without charge .....	74,500	41,500	175,600
	\$ 2,265,015	\$ 1,866,979	\$ 5,845,323

## ATLANTIC DEVELOPMENT BOARD

**Expenditure on Technical and Economic Surveys and Studies  
for the Year Ended March 31, 1968**

(With comparative figures for the year ended March 31, 1967 and cumulative figures from the establishment of the Board on December 20, 1962 to March 31, 1968).

	1968	1967	<i>Cumulative to March 31, 1968</i>
Study of demand for and supply of water resources in Newfoundland and Labrador .....	\$ 428,792	\$ —	\$ 428,792
Study of demand for and supply of water resources in Nova Scotia, New Brunswick and Prince Edward Island .....	418,189	—	418,189
Study of tourist industry in Newfoundland, New Brunswick and Nova Scotia .....	78,932	287,775	366,707
Study of structure and function of urban centres in Atlantic provinces .....	69,156	79,773	148,929
Study of water supplies in Alder Point, Ile Madame-St. Peters, Cape Sable Island and Digby Neck, N.S. ....	39,879	72,778	112,657
Study of the comparative advantage of agricultural enterprises in Nova Scotia, New Brunswick and Prince Edward Island .....	37,200	21,000	58,200
Study of the effects of the Northumberland Strait Causeway upon Prince Edward Island .....	34,178	—	34,178
Study of water supplies in Charlotte County and Caraquet areas of New Brunswick .....	33,613	85,956	119,569
Study of legal framework respecting water resources in Atlantic provinces .....	32,132	—	32,132
Layout and design of proposed water front industrial park at site of former Point Edward Naval Base, Cape Breton .....	20,143	16,846	36,989
Evaluation of the study of the water resources of the Atlantic provinces .....	27,408	—	27,408
Study of administrative framework of water resources in Atlantic provinces .....	19,961	—	19,961
Study of water supplies and needs in the St. Mary's Bay area, Newfoundland .....	17,988	—	17,988
Survey of water resources of North Rustico, Prince Edward Island .....	17,419	5,411	22,830

Study of ground water resources in Nova Scotia	16,320	10,180	26,500
Comprehensive study of forestry in the Atlantic provinces	14,424	31,879	46,303
Updating of input and output study	12,142	—	12,142
Development plan for Ernest Harmon Air Base, Stephenville, Nfld.	10,000	30,000	40,000
Study of potential industrial sites in Halifax area	10,000	10,000	20,000
Study of industrial park needs of metropolitan area of St. John's, Nfld.	9,000	16,000	25,000
Periodic reports by Atlantic Provinces Economic Council	8,750	—	8,750
Study of evaluation of industrial potential of New- port plan	8,469	—	8,469
Study of Saint John Harbour Bridge Throughway complex	8,014	—	8,014
Study of education as a factor in the growth of Atlantic provinces	7,803	17,037	24,840
Survey of water supplies at Witless Bay, Nfld.	6,211	—	6,211
Study of special problems and proposals	6,119	8,318	14,437
Study of marketing possibilities for Sydney steel	5,000	—	5,000
Study of the economics of the fishing industry in the Atlantic provinces	5,000	—	5,000
Study of social strategy for economic development	10,000	—	10,000
Agriculture land mapping project	5,000	—	5,000
Study of the structure of the economy of the Atlantic region	3,408	5,853	9,261
Study of agriculture in Atlantic provinces	2,435	14,026	16,461
Office services	2,400	2,154	5,680
Preliminary review of the tourist industry in New- foundland	1,016	6,984	8,000
Investigation of water supplies to fish processing plants and water resources survey at Trepassey, Nfld.	231	38,649	118,870
Investigation of water supply in Bay St. George, Stephenville, Nfld.	207	39,793	40,000
Economic survey of Bell Island, Nfld.	—	26,661	26,661
Study of water supplies and needs in Placentia, Nfld.	—	19,681	19,501

Study of water resources in New Brunswick .....	—	21,163	21,163
Study of potash exploration in Nova Scotia .....	—	199,225	265,801
Investigation for a possible power site at Minas Basin, Bay of Fundy .....	—	14,675	70,000
Study of barriers to manpower mobility in economically lagging areas of Newfoundland, Labrador, Nova Scotia, New Brunswick and Quebec (cost shared with Department of Manpower and Immigration and Forestry and Rural Development) .....	—	35,000	35,000
Industrial opportunities study in Cape Breton, N.S. ....	—	30,000	32,000
Study and investigation of purification of salt water for use in fish processing plants .....	—	19,947	19,947
Study of industrial park needs of Edmundston, N.B. ....	—	15,000	15,000
Marketing study of selected steel products of Sydney, N.S. ....	—	12,776	12,776
Study of industrial park needs at various centres in New Brunswick and Nova Scotia .....	—	10,000	55,000
Study of industrial park needs in Charlottetown, P.E.I. ....	—	10,000	10,000
Study of manufacturing opportunities in the Atlantic region .....	—	7,700	7,700
Study of inter-industry flow of goods and services in Atlantic provinces .....	—	5,000	105,000
Public information consultant services .....	—	3,670	6,070
Study of development of Newfoundland economy since Confederation .....	—	2,000	7,000
Study of demand and supply for land in Atlantic provinces .....	—	—	50,000
Engineering investigations for deep water harbour, ore dock and ancillary facilities at Belledune Point, N.B. (Cost shared with Department of Public Works) .....	—	—	86,253
Study of trans-Atlantic container shipping operations from ports of Halifax, N.S. and Saint John, N.B. ....	—	—	23,976
Economic study of grain trade via Atlantic ports .....	—	—	25,000
Consultants services re power and natural resources .....	—	—	47,205
Water supply study at Come-by-Chance, Nfld. ....	—	—	12,800

Study of waste products of food and beverages industries in Atlantic provinces .....	—	—	9,600
Benefication research program on Wabana iron ore, Bell Island, Nfld. ....	—	—	300,000
Foundation investigations for tidal power development in Upper Bay of Fundy, N.B. ....	—	—	100,000
Engineering investigation of suitable water supply system for fishing plant at Shippegan, N.B. ....	—	—	11,310
Industrial location study .....	—	—	5,841
Engineering and economic feasibility studies re submarine cable between Prince Edward Island and mainland .....	—	—	10,000
Preliminary study of economic aspects of effects on Atlantic ports of water navigation in St. Lawrence River and Gulf of St. Lawrence .....	—	—	10,000
Economic data, reports and statistics .....	—	—	5,000
Sundry projects for less than \$5,000 each .....	10,401	20,965	57,082
	<hr/>	<hr/>	<hr/>
	1,437,340	1,253,875	3,771,153

## 11 ELIZABETH II.

## CHAP. 10

An Act to provide for the establishment of an  
Atlantic Development Board.

[Assented to 20th December, 1962.]

HER Majesty, by and with the advice and consent of the Senate  
and House of Commons of Canada, enacts as follows:

## SHORT TITLE.

1. This Act may be cited as the *Atlantic Development Board Act*. Short title.

## INTERPRETATION.

2. In this Act, Definitions.
- (a) "Atlantic region" means the region comprising the "Atlantic region." Provinces of New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland;
  - (b) "Board" means the Atlantic Development Board "Board" established by section 3; and
  - (c) "Minister" means such member of the Queen's Privy "Minister" Council for Canada as may from time to time be designated by the Governor in Council to act as the Minister for the purposes of this Act.

## ATLANTIC DEVELOPMENT BOARD

3. A corporation is hereby established to be known as Board established. the Atlantic Development Board, consisting of five members to be appointed by the Governor in Council as provided in section 4.

4. (1) Each of the members of the Board shall be ap- Appointment of members. pointed to hold office for a term of five years, except that of those first appointed one shall be appointed for a term of three years and two shall be appointed for a term of four years.

(2) One of the members of the Board shall be ap- Chairman. pointed to be the chairman thereof.

(3) A retiring chairman or other member of the Eligibility for reappointment. Board is eligible for reappointment to the Board in the same or another capacity.

Travelling  
and living  
expenses.

5. (1) The members of the Board shall serve without remuneration, but are entitled to be paid reasonable travelling and living expenses while absent from their ordinary place of residence in the course of their duties under this Act.

Honorarium  
to chairman.

Notwithstanding subsection (1), the chairman of the Board may be paid such amount per annum as an honorarium as may be approved by the Governor in Council.

Quorum.

6. Three members constitute a quorum of the Board.

Vacancy.

7. A vacancy in the membership of the Board does not impair the right of the remainder to act.

Absence,  
etc., of  
chairman.

8. The Board may designate one of its members to be vice-chairman of the Board, who shall, in the event of the absence or incapacity of the chairman or if the office of chairman is vacant, act as chairman.

### OBJECTS AND POWERS

Objects and  
powers.

9. (1) The objects of the Board are to inquire into and report to the Minister upon measures and projects for fostering the economic growth and development of the Atlantic region of Canada, and, without limiting the generality of the foregoing, the Board may, in furtherance of its objects.

- (a) prepare on a systematic and comprehensive basis, and revise as required in the light of changing circumstances, an assessment of factors relevant to economic growth in the Atlantic region;
- (b) keep under constant review appropriate methods of furthering the sound economic development of the Atlantic region, whether such methods involve new measures and projects or the removal or mitigation of existing factors that may be considered to inhibit such development;
- (c) with respect to particular measures or projects that may be referred to it by the Minister, inquire into, assess and report to the Minister upon the feasibility of such measures or projects and the effect thereof in relation to the economy of the Atlantic region, and make recommendations to the Minister with respect to any such measures or projects that in the opinion of the Board would significantly contribute to the growth and development of the economy of the Atlantic region; and



- (d) consider and report to the Minister upon any other matters that in the opinion of the Board may usefully be considered by it having regard to the need for a continuing sound economic development of the Atlantic region.

(2) The Board shall, to the greatest possible extent <sup>Duty of co-operation.</sup> consistent with the performance of its duties under this Act, co-operate with the National Economic Development Board, the National Productivity Council and all departments, branches and other agencies of the Government of Canada having duties related to, or having aims or objects related to those of the Board.

#### ORGANIZATION.

10. The Board shall meet at such times and places as it <sup>Meetings.</sup> deems necessary but shall meet at least once a year in the City of Ottawa.

11. (1) The Governor in Council may appoint an Ex-<sup>Executive Director.</sup>ecutive Director of the Board, who shall hold office during pleasure and shall be paid such salary and expenses as are fixed by the Governor in Council.

(2) The Executive Director is the chief executive <sup>Direction of work and staff.</sup> officer of the Board and has supervision over and direction of the work and staff of the Board.

12. (1) The Board may, subject to the approval of the <sup>By-laws.</sup> Governor in Council, make by-laws for the regulation of its proceedings and generally for the conduct of its activities, including the establishment of advisory and other committees of the Board.

(2) Any by-law made pursuant to subsection (1) <sup>Advisory committees.</sup> establishing an advisory committee of the Board may provide for the membership thereon of persons other than members of the Board, in addition to members of the Board.

13. (1) The Board may

<sup>Appointment of staff.</sup>

(a) appoint such officers and employees as are necessary for the proper conduct of the work of the Board; and

(b) prescribe the duties of such officers and employees <sup>Salaries and expenses of staff.</sup> and, subject to the approval of the Treasury Board, prescribe the conditions of their employment.

(2) The officers and employees of the Board appointed as provided in subsection (1) shall be paid such salaries and ex-

penses as are fixed by the Board with the approval of the Treasury Board.

Technical  
and special  
advisors.

14. The Board may engage on a temporary basis or for any period of not more than two years the services of persons having technical or specialized knowledge of any matter relating to the work of the Board, to advise and assist the Board in the performance of its duties under this Act, and with the approval of the Treasury Board may fix and pay the remuneration of such persons.

Superannua-  
tion.

15. (1) The Executive Director and the officers and employees of the Board appointed as provided by subsection (1) of section 13 shall be deemed to be employed in the Public Service for the purposes of the *Public Service Superannuation Act*, and the Board shall be deemed to be a Public Service corporation for the purposes of section 23 of that Act.

Application of  
Government  
Employees  
Compensation  
Act.

(2) The *Government Employees Compensation Act* applies to the Executive Director and the officers and employees of the Board appointed as provided in subsection (1) of section 13 and, for the purposes of that Act, such persons shall be deemed to be employees in the service of Her Majesty.

Not agent  
of Her  
Majesty.

16. The Board is not an agent of Her Majesty and, except as provided in section 15, the members, Executive Director and staff of the Board are not part of the public service.

#### FINANCIAL.

Appropria-  
tions.

17. All amounts required for the payment of salaries and other expenses under this Act including expenses of administration shall be paid out of moneys appropriated by Parliament for the purpose.

#### AUDIT.

Audit.

18. The accounts and financial transactions of the Board shall be audited annually by the Auditor General, and a report of the audit shall be made to the Board and the Minister.

#### REPORT TO PARLIAMENT.

Annual  
report to  
be made.

19. The chairman of the Board shall, within three months after the termination of each fiscal year, transmit to the Minister a statement relating to the activities of the Board for that fiscal

year, including the financial statements of the Board and the Auditor General's report thereon, and the Minister shall cause such statement to be laid before Parliament within fifteen days after the receipt thereof or, if Parliament is not then sitting, on any of the first fifteen days next thereafter that Parliament is sitting.

## CHAP. 5

## An Act to amend the Atlantic Development Board Act

[Assented to 31st July, 1963.]

1962-63, c. 10.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Section 2 of the *Atlantic Development Board Act* is amended by striking out the word "and" at the end of paragraph (b) thereof and by adding thereto, immediately after paragraph (b) thereof, the following paragraph:

"Fund"

"(ba) "Fund" means the Atlantic Development Fund established by section 16; and"

2. (1) Sections 3 and 4 of the said Act are repealed and the following substituted therefor:

Board  
established.

"3. (1) A corporation is hereby established to be known as the Atlantic Development Board, consisting of eleven members to be appointed by the Governor in Council as provided in section 4.

Constitution  
of member-  
ship.

(2) The membership of the Board shall be constituted in such a manner as to reflect the economic structure of the Atlantic region.

Appointment  
of members.

4. (1) Each of the members of the Board shall be appointed to hold office for a term of three years, except that of those first appointed four shall be appointed for a term of one year and four shall be appointed for a term of two years.

Chairman.

(2) The Governor in Council shall designate one of the members to serve as chairman of the Board during pleasure.

Eligibility  
for re-  
appointment.

(3) A person who has served two consecutive terms as a member of the Board is not, during the twelve month period following the completion of his second term, eligible for reappointment."

(2) A person who, at the coming into force of this Act, held office under the *Atlantic Development Board Act* as a

member of the Atlantic Development Board shall be deemed to have been appointed as a member of the Board under this Act

- (a) in the case of the person who at the coming into force of this Act held the office of chairman of the Board, for a term of two years, and
- (b) in any other case, for a term of one year.

(3) The term of each of the persons first appointed to the Atlantic Development Board after the coming into force of this Act and the term of each of the persons referred to in subsection (2) shall be calculated as if such term had commenced on the 24th day of January, 1963.

3. Section 6 of the said Act is repealed and the following substituted therefor:

“6. A majority of the members constitutes a quorum of <sup>Quorum.</sup> the Board.”

4. The said Act is further amended by adding thereto, immediately after section 8 thereof, the following section:

“8A. (1) The Board, is for all purposes of this Act, an <sup>Board agent</sup> agent of Her Majesty, and its powers under this Act may be <sup>of Her</sup> Majesty. <sup>Majesty.</sup> exercised only as an agent of Her Majesty.

(2) Subject to the approval of the Governor in <sup>Contracts</sup> Council, the Board may, on behalf of Her Majesty, enter into contracts in the name of Her Majesty or in the name of the Board.

(3) Property acquired by the Board is the property <sup>Property.</sup> of Her Majesty and title thereto may be vested in the name of Her Majesty or in the name of the Board.

(4) Actions, suits or other legal proceedings in re- <sup>Proceedings.</sup> spect of any right or obligation acquired or incurred by the Board on behalf of Her Majesty, whether in its name or in the name of Her Majesty, may be brought or taken by or against the Board in the name of the Board in any court that would have jurisdiction if the Board were not an agent of Her Majesty.”

5. Section 9 of the said Act is repealed and the following substituted therefor:

“9. (1) The objects of the Board are to inquire into and <sup>Objects and</sup> report to the Minister upon programs and projects for foster- <sup>powers.</sup> ing the economic growth and development of the Atlantic

region of Canada, and to consider, report and make recommendations to the Minister concerning programs and projects not involving the use of the Fund and programs and projects involving the use of the Fund; and without limiting the generality of the foregoing, the Board may, in furtherance of its objects,

- (a) prepare, in consultation with the Economic Council of Canada, an overall co-ordinated plan for the promotion of the economic growth of the Atlantic region;
- (b) keep under constant review appropriate methods of furthering the sound economic development of the Atlantic region, whether such methods involve new programs and projects or the removal or mitigation of existing factors that may be considered to inhibit such development;
- (c) with respect to particular programs or projects that may be referred to it by the Minister or that the Board may on its own initiative investigate, inquire into, assess and report to the Minister upon the feasibility of such programs or projects and the effect thereof in relation to the economy of the Atlantic region, and make recommendations to the Minister with respect to any such programs or projects that, in the opinion of the Board, will contribute to the growth and development of the economy of the Atlantic region; and
- (d) with the approval of the Governor in Council, enter into agreements with
  - (i) the government of any province comprised in the Atlantic region or the appropriate agency thereof, or
  - (ii) any other person, respecting the use of the Fund in financing or assisting in financing the undertaking and the carrying out of particular programs or projects described in subsection (1) of section 16.

Duty of  
co-operation.

(2) The Board shall, to the greatest possible extent consistent with the performance of its duties under this Act, consult and co-operate with the Economic Council of Canada

and all departments, branches and other agencies of the Government of Canada having duties related to, or having aims or objects related to those of the Board."

6. Section 16 of the said Act is repealed and the following heading and section substituted therefor:

"ATLANTIC DEVELOPMENT FUND

16. (1) Subject to subsection 4, the Minister of Finance may, on the recommendation of the Minister, pay to the Board out of the Consolidated Revenue Fund such amounts as are from time to time required by the Board for the purpose of financing or assisting in financing the undertaking and the carrying out of programs and projects that, in the opinion of the Board, will contribute to the growth and development of the economy of the Atlantic region and for which satisfactory financing arrangements are not otherwise available.

(2) There shall be a special account in the Consolidated Revenue Fund to be known as the Atlantic Development Fund, to which shall be credited all amounts paid by the Minister of Finance to the Board under subsection (1) and to which shall be charged all payments in respect of programs or projects described in that subsection.

(3) No payments may be made by the Minister of Finance to the Board under subsection (1) except in respect of a program or project described in that subsection that has been approved by the Governor in Council.

(4) The total of all amounts that may be paid by the Minister of Finance to the Board under subsection (1) and credited to the Atlantic Development Fund is one hundred million dollars."

7. Section 17 of the said Act is repealed and the following substituted therefor:

"17. All expenditures under this Act including amounts required for the payment of salaries, technical and economic surveys and other expenses including expenses of administration, except any amounts described in subsection (1) of section 16, shall be paid out of moneys appropriated by Parliament therefor."

8. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

## CHAP. 31

An Act to amend the Atlantic Development Board Act.

[Assented to 11 July, 1966.]

1962-63, c. 10;  
1963, c. 5.

HER Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1963, c. 5,  
s. 4.

1. Subsection (2) of section 8A of the *Atlantic Development Board Act* is repealed and the following substituted therefor:

Contracts.

“(2) The Board may, on behalf of Her Majesty, enter into contracts in the name of Her Majesty or in the name of the Board.”

1963, c. 5,  
s. 5.

2. Paragraph (d) of subsection (1) of section 9 of the said Act is repealed and the following substituted therefor:

“(d) enter into agreements with the government of any province comprised in the Atlantic region or the appropriate agency thereof, subject to approval thereof by the Governor in Council, or enter into agreements with any other person, providing for

- (i) the undertaking by the Board of any programs or projects that, in the opinion of the Board, will contribute to the growth and development of the economy of the Atlantic region and for which satisfactory financing arrangements are not otherwise available,
- (ii) the joint undertaking by the Board and the province or agency thereof or person of programs or projects described in subparagraph (i), or
- (iii) the payment by the Board to the province or agency thereof or person of contributions in respect of the cost of programs or projects described in subparagraph (i).”

3. The said Act is further amended by adding thereto, immediately after section 9 thereof, the following section:



"9A. An agreement entered into pursuant to paragraph (a) of subsection (1) of section 9 shall, where appropriate, specify the respective proportions of the revenues from any program or project to which the agreement relates that are to be paid to the Board and the province or agency thereof or person."

4. (1) Section 16 of the said Act is repealed and the following substituted therefor: <sup>1963, c. 5, s. 6.</sup>

"16. (1) There shall be a special account in the Consolidated Revenue Fund to be known as the Atlantic Development Fund. <sup>Atlantic Development Fund established.</sup>

(2) There shall be credited to the Fund, in addition to the amounts credited thereto pursuant to subsection (1) of section 16A, all revenues of the Board under agreements entered into pursuant to paragraph (d) of subsection (1) of section 9 and there shall be paid out of the Consolidated Revenue Fund and charged to the Fund all expenditures under agreements entered into pursuant to paragraph (d) of subsection (1) of section 9. <sup>Credits and charges to Fund.</sup>

(3) No payment shall be made out of the Consolidated Revenue Fund under this section in excess of the amount of the balance to the credit of the Fund. <sup>Limitation.</sup>

16A. (1) Subject to subsection (2), the Minister of Finance may, on the recommendation of the Minister, credit to the Fund out of the Consolidated Revenue Fund such amounts not exceeding in the aggregate one hundred and fifty million dollars as are from time to time required by the Board under agreements entered into pursuant to paragraph (d) of subsection (1) of section 9. <sup>Payment out of Consolidated Revenue Fund.</sup>

(2) No amount may be credited by the Minister of Finance to the Fund under subsection (1) in respect of programs or projects described in an agreement entered into under paragraph (d) of subsection (1) of section 9 with a province or agency thereof, unless the agreement has been approved by the Governor in Council. <sup>Approval of agreements.</sup>

(2) For the purpose of section 16A of the said Act as enacted by this section, all amounts credited or charged to the

Atlantic Development Fund pursuant to section 16 of the said Act before the coming into force of this Act shall be deemed to have been credited or charged, as the case may be, to the Atlantic Development Fund pursuant to sections 16 and 16A of the said Act as enacted by this section.