

ANNUAL
REPORT
1969/1970

REGIONAL ECONOMIC EXPANSION CANADA
EXPANSION ÉCONOMIQUE RÉGIONALE CANADA

ANNUAL REPORT 1969/1970

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The Department of Regional Economic Expansion was created on April 1, 1969, as a result of the passage by Parliament of the Government Organization Act, 1969. The Department was designed as the instrument for a major federal effort to reduce the economic and social disparities between the various regions of Canada, and the legislation therefore made the Minister of Regional Economic Expansion responsible, in the federal jurisdiction, for "economic expansion and social adjustment in areas requiring special measures to improve opportunities for productive employment and access to those opportunities".

The creation of the Department followed a process of consolidation which had been begun in the previous fiscal year when existing federal agencies and programs concerned with regional development were brought together under the Minister of Forestry and Rural Development.

The Government Organization Act, 1969, terminated a number of the existing agencies and programs, notably the Atlantic Development Board (ADB), the Area Development Agency (ADA) and the Fund for Rural Economic Development (FRED), but provided that the new Department would be responsible for carrying their current activities through to completion.

The work of the Department of Regional Economic Expansion can be classified under four main headings:

Planning and Programming: To develop the means of improving opportunities, and making them effective, in slow growth regions. This involves assessing problems and identifying possibilities of change and development. For each region or area, it must be done

jointly with the province concerned and in co-operation with local organizations as well as with other federal agencies. The Department can never "go it alone" but in many situations it must provide much of the investigation, research, thought and planning needed to mount development efforts that will utilise as effectively as possible the resources of the private sector, local organizations, provincial programs and other federal programs as well as the Department's own resources.

Industrial Incentives: To make investment in viable industries more attractive in the slow-growth regions. This is crucial to the enlargement of opportunities. It involves identifying economic activities that have potential for establishment or expansion in the region and developing means of encouraging those activities, including the provision of incentives to reduce their capital costs.

Infrastructure Assistance: To provide the incremental social capital that is necessary to better opportunities. Economic expansion is dependent on enlarged and improved community services (schools, water supply and sewage systems, roads, residential sub-divisions, industrial parks, etc.), particularly at growth points. Such services are normally financed locally and provincially, but in the slow-growth regions special federal assistance is essential to the financing of a major development effort. This involves detailed co-operation with provinces and municipalities in the identification, planning and implementation of priority projects.

Social Adjustment and Rural Development: To assist people in taking advantage of new opportunities and in increasing their incomes from the more effective utilization of rural resources. This involves a variety

of programs of counselling, training, assistance to mobility, conservation, recreational development, consolidation of holdings, land improvement, etc. While a few of these are carried out directly, most involve cost-sharing programs with the provinces.

The parts of the task that were tackled first were to establish the machinery to start planning and programming and to institute a new system of industrial incentives. The legislation for the latter purpose (the Regional Development Incentives Act) was introduced soon after the Department's creation and became effective on July 1, 1969. The immediate increase in activity can be measured by the fact that, in the Department's first fiscal year, applications for industrial incentives were 3½ times as many as they had been under the program as it was in the previous year, 1968-69.

Existing programs for infrastructure, social adjustment and rural development were continued while the detailed work of developing new programs was initiated in co-operation with the provinces. This led, in the last month of the fiscal year, to the designation of 22 special areas and the identification of preliminary development plans, including in many cases substantial infrastructure projects, for them. Improvements in social adjustment and resource utilization programs were also developed for implementation in 1970-71.

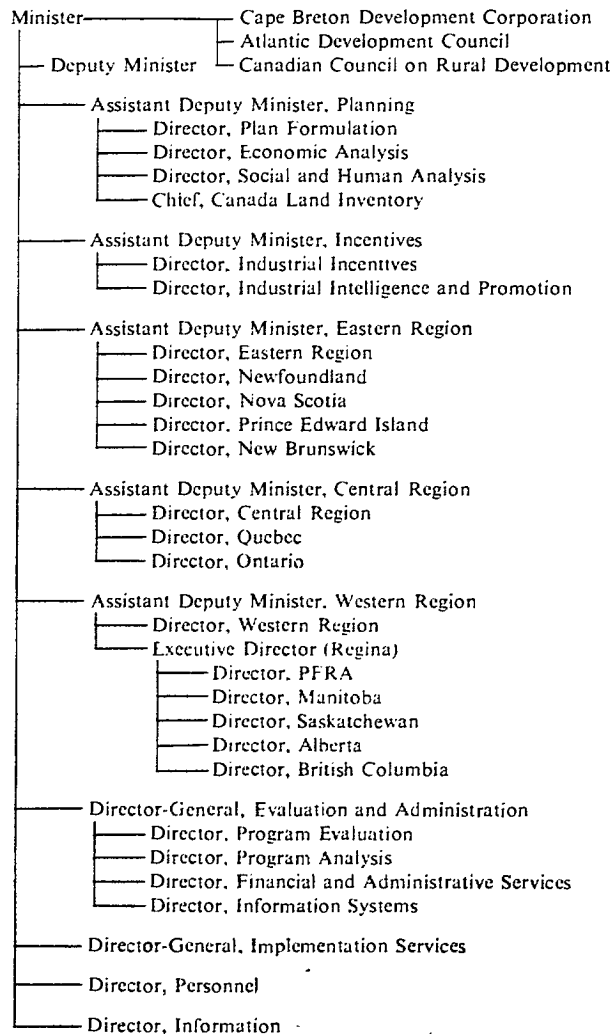
The organization of the Department was evolved in accordance with the priorities in its tasks. Planning and Incentives Divisions were established from the beginning of the year, together with support units for Evaluation and Administration, Personnel and Information. During 1969-70 the continuation of

other programs was in the hands of an Implementation Division. At the end of the year, when new programs were coming into effect, this unit and the Programming Division were replaced by three regional units, supported by an Implementation Services Division.

The three regions are Atlantic, Centre (Quebec and Ontario) and West. These Divisions have operational responsibility for both the new and the continuing infrastructure, social adjustment and rural development programs. Field offices were established in all the provincial capitals; for the West, there is also a regional office in Regina, which is the headquarters of PFRA operations.

This organization of the Department, made effective on April 1, 1970, is shown in the accompanying chart.

In addition, in accordance with the Government Organization Act 1969, an Atlantic Development Council was established in the autumn of 1969, to advise the Minister on the exercise of his functions in respect of the Atlantic region. After consultation with the governments of the four Atlantic Provinces, Professor W. Y. Smith was appointed Chairman of the Council and ten other members were appointed, one from Prince Edward Island and three from each of the other Provinces.



The main task of the Planning Division is a joint venture with provincial governments. This is to identify the strategies needed to lessen regional disparities and to develop the plans, policies, and programs that will most effectively express these strategies.

It is necessary, first, to identify the key economic and social causes of disparity in a particular region and then define the main goals to be arrived at. The second step is to develop the basic priorities—the broad strategy by which the goals are to be attained. The third step is to develop and assess alternative plans, programs, and policies needed to reach the goals.

The resulting plans and programs are put into effect jointly by the provinces and the federal government. They must, therefore, be joint plans, the equal product of both governments. They must involve, to the maximum extent possible, the energies and ideas of the local people who participate in their detailed design and implementation.

In order to carry out its role the Planning Division is divided, on a functional basis, into three branches. The Economic Analysis and Social and Human Analysis Branches carry out the basic analysis of economic and social problems and opportunities; the Plan Formulation Branch, jointly with the provinces, and in collaboration with other federal departments, translates these into agreed strategies, plans, and programs for Ministerial consideration.

The three main activities of the Division during the first year were the development of its organization and recruitment of staff; the continuation of planning in respect of established programs; and research, planning and negotiation in respect of the new departmental programs.

Following the appointment of the Assistant Deputy Minister (Planning) and Directors of each of the three branches, consultants assisted in the development of the internal organization of the branches. An aggressive recruiting campaign resulted in the filling of most senior positions and recruitment of a large proportion of the expert staff—economists, sociologists, town planners, agriculturists, geographers—required to carry out the planning function.

A number of important new research projects to explore the economic and social causes of regional disparity were initiated and a number of studies previously initiated by the Atlantic Development Board were carried through to completion.

The Division continued work on planning aspects of several programs of predecessor agencies, including those of the Atlantic Development Board, the Prairie Farm Rehabilitation Act, the Agricultural Rehabilitation and Development Act, and the FRED fund. Planning studies were initiated in respect of several of these programs to determine the way in which activities under them could best contribute to the reduction of disparities.

The main focus of the Division's work, however, was on the development of new programs, including special areas and industrial incentives within the context of the development of a general planning framework for growth. Officers of the Division assisted in the discussion and negotiation with the provinces of new programs and program changes.

PLAN FORMULATION BRANCH

The primary responsibility of this branch is to assist the department in the development, jointly with the provinces, and in collaboration with other federal departments, of development strategies, plans, and programs.

The branch is organized both regionally and functionally. Small regional groups—for the Atlantic region, the Central region (Quebec and Ontario) and the Western region—are responsible for working directly with the provinces on strategy and plan formulation.

The four sectoral planning groups—Natural Resources, Human Resources, Private Capital, and Social Capital—provide specialized expertise for the development of plans with the provinces and are responsible for program development in their respective areas of concentration.

The role of the Social Capital Planning Section is the development of plans for social capital facilities needed to stimulate and assist economic growth; that of Private Capital Planning is the identification of viable and competitive industries for the slow growth regions and the assessment of plans for their attraction; that of Human Resources Planning is to develop programs for needed human resource development and social adjustment; and that of Natural Resource Planning is to identify the patterns for efficient development and exploitation of regional natural resources.

During 1969-70, the main effort of the branch was devoted to the preparation of plans with the provinces for implementation in the special areas in 1970-71.

Federal-provincial task groups reviewed provincial needs for economic expansion and social adjustment and recommended the establishment of special areas in order to facilitate growth.

The 22 special areas, approved by the Governor in Council for designation from March 1970, are of six kinds. In St. John's, Moncton, Saint John, Halifax-Dartmouth, Quebec City and Trois-Rivières, where faster growth can have major repercussions through eastern Canada generally, the plans provide for grants and loans to the provinces for roads, bridges, water and sewer systems, serviced industrial and residential land, schools, tourist facilities, industrial parks and other facilities to strengthen the economic and social effects of regional development incentives to industry.

In Corner Brook, the Strait of Canso, and Sept Îles-Port Cartier, where growth potential stems largely from their location in relation to natural resources, the plans call for both key infrastructure development and financial assistance to commercial undertakings.

For the remaining special areas in Newfoundland—Burin, Happy Valley, Come-by-Chance, Grand Falls-Botwood-Gander, Stephenville, and Hawkes Bay-Port au Choix, the joint plan is to provide community infrastructure, including serviced residential land and schools, to facilitate the resettlement of people from the outposts.

Plans in the Lac St. Jean and Renfrew-Pembroke special areas, where new employment is particularly dependent on wood-based industries, call for the extension of financial assistance to the necessary commercial undertakings.

The three northern special areas on the Prairies—The Pas, Meadow Lake and Lesser Slave Lake—were established largely to assist the employment and social adjustment of the large number of socially disadvantaged people, including particularly those of native origin, resident there. Plans call for community infrastructure, social adjustment measures and the development of new jobs particularly in the wood-based industries.

The two remaining special areas—Regina and Saskatoon—are ones which have enjoyed rapid growth in the past, but where recent problems in grain and potash marketing have caused serious problems. The plans for these areas call for incentive assistance to firms to develop new jobs.

In addition to the joint development and negotiation of plans for the special areas, a joint review of the Interlake FRED program was carried out with the province of Manitoba. Planning work was begun for the development of new ARDA agreements with the provinces, to replace those expiring on March 31, 1970. Preparatory work for the revision of the FRED agreements covering the Gaspé region of Quebec, Northeast New Brunswick, and the Mactaquac area of New Brunswick, was carried forward.

Officers in the branch assisted in the development of regulations for the Regional Development Incentives Program and in the determination of the boundaries of the designated regions in which these incentives apply.

Plans for the development of the second Canada-Newfoundland Resettlement Agreement were drawn up with that province.

In the Atlantic region, plans for highway development were drawn up with the provinces and financed through the agreements on special areas and highways signed in the following fiscal year.

A number of federal-provincial planning studies were initiated to develop urban plans for Saint John and Moncton, New Brunswick, and work was continued on urban planning studies in Halifax. Plans were completed for a mineral development study in New Brunswick and plans were developed and negotiations carried out for the second phase of the Atlantic Mapping, Surveying and Titling Program.

The branch prepared a submission to the Organization for Economic Co-operation and Development in connection with its review of Canadian regional development policy which was completed during the year, and participated in the work of that organization, the International Labour Organization, and the United Nations.

ECONOMIC ANALYSIS BRANCH

The task of the Economic Analysis Branch is to analyze and test hypotheses about economic expansion, in the content of other federal economic policies and their effect on regional development. It works with the Plan Formulation Branch in developing a methodology for evaluating the results of the various plans and programs which are formulated.

The branch is responsible for defining the characteristics and factors affecting regional growth. This involves the analysis and development of micro-economic models respecting natural resources and primary manufacturing, construction, trade and serv-

ice sectors. It also requires the analysis of major macro-economic variables and the assessment of their effects on regional economic disparities. In addition the branch is responsible for the building of models by which proposed policies and plans may be tested and actual policies and plans may be evaluated with a view to suggesting improved assumptions and hypotheses for future use by the Plan Formulation Branch in forming development strategies for slow-growth regions.

During 1969-70, the staff was engaged in supervising and developing a number of models to study various types of economic activity. In addition, it undertook to define various methodologies for measuring economic activity on a regional and sectoral basis.

SOCIAL AND HUMAN ANALYSIS BRANCH

This branch was established to assist in developing plans, programs and projects to help disadvantaged people in slow-growth areas to respond promptly and effectively to opportunities for improving earnings in existing activities, to help them prepare for new employment, and to facilitate their access to gainful employment opportunities.

In addition to formative and preparatory work the branch was responsible during 1969-70 for the provision of technical advice on social adjustment aspects of FRED and ARDA projects. This involved participation in working and review groups and task forces, providing social and human adjustment expertise. The branch was also responsible for the NewStart Corporations.

NewStart

The Canada NewStart program was introduced to experiment with and isolate effective and efficient techniques and methods of social and human development. To achieve this aim, six autonomous, provincially incorporated pilot projects were established.

In 1969-70 four of these NewStart corporations (at Lac La Biche, Alberta; Prince Albert, Saskatchewan; Yarmouth, Nova Scotia; and Montague, Prince Edward Island) were in their second year of operation. They continued their experimentation with methods of: adult basic training in academic and vocational education and life skills; recruitment; motivation; counselling and job placement.

Two additional corporations were established during 1969, in The Pas, Manitoba and Richibucto, New Brunswick, and were engaged in organization and staffing and preparing plans of operation.

Total funds provided by the Department to the six NewStart corporations in 1969-70 were \$6,040,000.

THE CANADA LAND INVENTORY

The object of the Canada Land Inventory (CLI) is to produce data on land capability, primarily for land-use and rural development planning. It is a federal-provincial program. The federal government sponsors and co-ordinates the planning, collection, analysis and publication of the results. Each province undertakes the Inventory within its borders, with financial and technical assistance from the federal government.

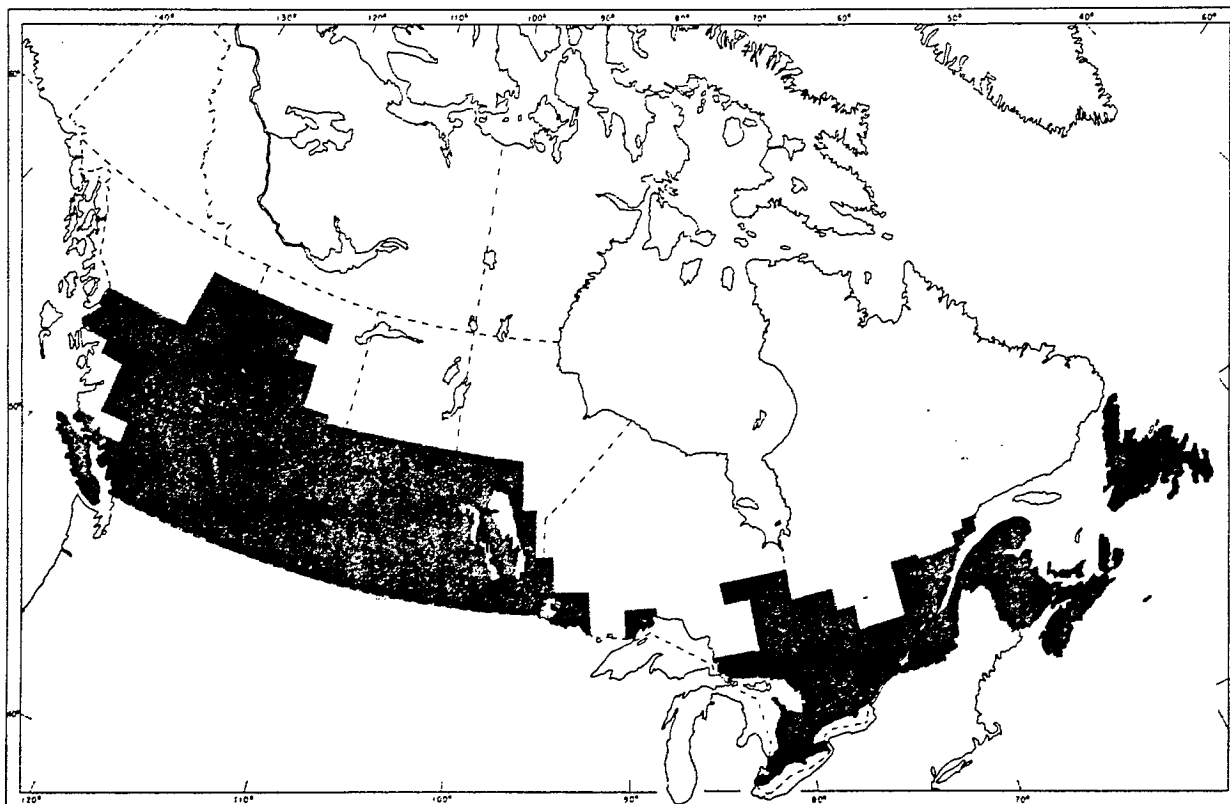
Lands are classified according to their capabilities for agriculture, forestry, recreation, wildlife, and sports fish. The inventory data are being produced in two series of maps. One series is for general distribution and is available from Information Canada, while the other is for more specialized use and will include up to 20,000 computer input maps. Each series will include lands throughout the settled areas of Canada (see map) covering a total of about one million square miles.

During 1969-70, a pilot land-use planning program continued in the provinces. The objective of this program is to develop and evaluate applications of CLI data in the planning process and to familiarize those engaged in land-resource planning and management with these data. Projects were approved for Nova Scotia, New Brunswick and Quebec, and reports are in preparation. Projects were also approved for Alberta and Ontario and these are continuing.

The CLI, as it is presently constituted, is a terminal program. As the area and the type of ground varies from province to province, provincial completion dates will vary. The Inventory has been completed in Prince Edward Island and is nearing completion in New Brunswick and Nova Scotia. All other provinces have passed the mid-point in their programs.

The Canada Land Inventory program, possibly the first of its kind to be undertaken on such a scale by any country, is commanding considerable international interest for its pioneering venture into the area of resource planning information.

AREAS COVERED BY THE CANADA LAND INVENTORY



CANADA LAND INVENTORY: FEDERAL EXPENDITURES 1969-70

Newfoundland	\$25,160
Prince Edward Island*	—
Nova Scotia	95,665
New Brunswick	50,665
Quebec	184,342
Ontario	573,807
Manitoba	414,330
Saskatchewan	217,559
Alberta	257,257
British Columbia	639,511
Other Federal Projects	<u>1,205,867</u>
TOTAL	<u>3,664,163</u>

*Completed

CLI CAPABILITY AND COMPUTER MAPS, MARCH 31, 1970
SECTOR

<u>Maps</u>	<u>Agriculture</u>	<u>Present Land Use</u>	<u>Forestry</u>	<u>Wildlife (Ungulates)</u>	<u>Wildlife (Waterfowl)</u>	<u>Recreation</u>	<u>Total Maps</u>
CAPABILITY MAPS							
Manuscripts on hand	21		14	22	30	18	105
Map sheets in progress	35		17	50	71	52	225
Map sheets printed	60		5	5	20	5	95
	—	—	—	—	—	—	—
TOTAL	116		36	77	121	75	425
COMPUTER MAPS							
Manuscripts on hand	300	179	259	256	265	317	1,576
Map sheets in progress	128	178	76	219	20	133	754
Map sheets completed	521	1,848	167	584	1,640	932	5,692
	—	—	—	—	—	—	—
TOTAL	949	2,205	502	1,059	1,925	1,382	8,022

The Department's programs of industrial incentives, designed to encourage new industrial employment in slow-growth regions of the country, are administered by the Incentives Division. In 1969-70, these programs included both the Regional Development Incentives Act, which became effective July 1, 1969, and its predecessor, the Area Development Incentives Act, under which the department also accepted applications until December 31, 1969. In addition, the first applications for industrial incentives in "special areas" were received at the end of the year.

The Incentives Division also offers information and advice to businessmen interested in establishing, expanding or modernizing industrial facilities in designated regions and special areas.

The Division carried out its functions through two main units: the Industrial Intelligence and Promotion Branch and the Industrial Incentives Branch.

INDUSTRIAL DEVELOPMENT

The role of the Industrial Intelligence and Promotion Branch is to enable the industrial incentives programs to be effectively utilized to stimulate industrial development.

The branch undertook this task by identifying types of industries with development potential; maintaining liaison with the private sector to interest and assist companies in taking advantage of industrial incentives; encouraging the involvement of community, regional and provincial officials in the process of industrial expansion; and providing support for the export development efforts of slow-growth provinces.

To perform these functions, the Branch was organized into three sections: Industrial Intelligence, Industrial

Promotion and Community Participation.

The responsibility of the Industrial Intelligence Section is to identify industrial opportunities and assist in bringing them to the attention of businessmen. The section established up-to-date reference material on factors affecting plant site location, including information both on the advantages offered by communities, regions and provinces and on the requirements of specific industries. Detailed information relevant to location decisions was prepared for individual companies interested in establishing operations in Canada. The section also undertook initial investigations into industrial potentials and the definition of specific manufacturing opportunities, involving studies carried out both by the Department itself and in co-operation with the provinces.

The Industrial Promotion Section developed and launched a variety of activities designed to identify, locate and contact industrial prospects, in addition to responding to specific requests for detailed information and guidance concerning the application of the incentives programs to particular projects. Companies and communities affected by the phase-out of the Area Development Incentives Act (ADIA) were given information and advice, which facilitated an unprecedented flow of applications under ADIA during the months of November and December to meet the December 31, 1969, deadline. Programs were also designed and implemented to promote the new Regional Development Incentives Act in order to alert corporate planners to the incentive benefits available. This activity was concentrated initially on companies operating within designated regions, but later extended to other areas of Canada

and finally to the international corporate arena. The Community Participation Section is responsible for stimulating local involvement in the process of planned industrial expansion. It acquainted many community leaders with the provisions of the new incentives program. A highly successful Industrial Development Training Course was inaugurated. Sessions held in most provinces helped to create a corps of community leaders capable of dealing at the local level with the problems of community preparedness for industrial change and development.

INCENTIVES PROGRAMS

The administration of industrial incentives involves assessing the eligibility of applications, analysing the feasibility and financing of proposed projects, evaluating the benefit-cost implications for the public, determining the degree of financial assistance appropriate, and subsequently validating actual costs and authorizing payments accordingly. The widespread interest in the programs was demonstrated by the increased rate of receipt of applications during the year. In 1968-69, applications were received at an average rate of 33 per month, but this rate rose to 116 in 1969-70.

AREA DEVELOPMENT INCENTIVES ACT

The administration of the Area Development Incentives program, previously carried out by the Area Development Agency, was continued throughout the year by the Incentives Division. Under this program, grants were directly related to the capital costs of new machinery, equipment and buildings. The amount of a grant was based on a rate of one-third of the first \$250 thousand of capital costs, plus twenty-five percent

of the next \$750 thousand, plus twenty percent of any remaining eligible costs. The maximum grant for any new facility or expansion was set at \$5 million. Up to March 31, 1967, grants could be taken, at the option of the firm, as a credit against future income tax liabilities. The Incentives Division continued to process applications for Capital Costs Certificates required in connection with this three-year tax exemption under Section 71 (a) of the Income Tax Act.

The final date for applications under the Area Development Incentives Act was established by the new Regional Development Incentives Act as December 31, 1969. Facilities approved for incentives under the program are required to be in commercial production by March 31, 1971.

The ADIA program, during its lifetime, generated 1,920 applications for grants and 460 tax applications. More than one-third of the total grant applications were received during the six months immediately prior to the December 31, 1969 final deadline for the acceptance of applications. As of March 31, 1970, a total of 1,297 cases were active (that is to say, the company had proceeded with the project or might still do so). The table indicates capital costs and number of jobs involved by region.

Letters of assurance issued during the 1969-70 fiscal year would involve grants in excess of \$87 million. Expenditures on account of authorized grants were \$54,463,000.

AREA DEVELOPMENT INCENTIVES ACT

Applications for Incentives & Tax Holiday, by Region, at March 31, 1970

<u>Region</u>		<u>Active Cases</u>	<u>New Investment in Fixed Assets</u>	<u>Direct Job Opportunities</u>
Atlantic Provinces	Grant	342	\$ 748,657,000	18,920
	Tax	33	88,465,000	2,745
Quebec	Grant	342	481,059,000	16,612
	Tax	39	154,139,000	2,979
Ontario	Grant	139	237,470,000	9,840
	Tax	93	223,943,000	8,453
Prairie Provinces	Grant	173	339,378,000	5,806
	Tax	5	2,998,000	472
British Columbia	Grant	127	154,658,000	4,935
	Tax	4	2,040,000	186
	Grant	1,123	\$1,961,222,000	56,113
	Tax	174	\$ 471,585,000	14,835

REGIONAL DEVELOPMENT INCENTIVES ACT

The new Regional Development Incentives legislation, which became effective July 1, 1969, quickly gave promise of greater effectiveness than the ADIA program in attracting new industries to slow-growth regions.

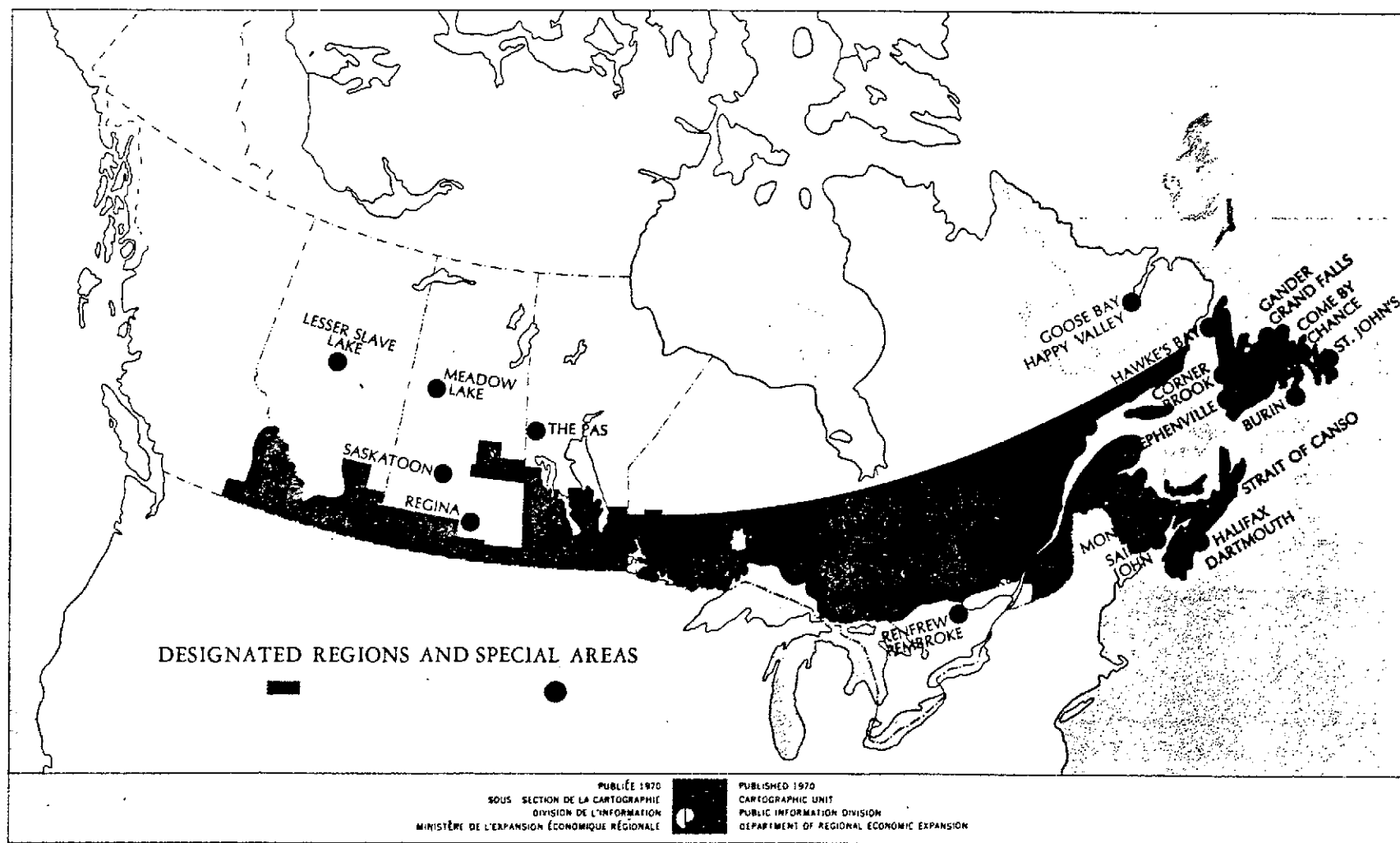
The selection of regions designated under the Regional Development Incentives Act followed a series of consultations between the Department and the Provincial governments. Regions were designated in all ten provinces for a three-year period ending June 30, 1972. They contain approximately 30 percent of the total Canadian labour force, and average per capita income within them is approximately seventy percent of the national average.

The Act provides incentives of two types: a primary incentive for companies which expand or modernize existing plants, and an additional secondary incentive for companies which establish new facilities or undertake new product expansions. The primary incentive cannot exceed twenty percent of the approved capital costs of the project or \$6,000,000, whichever is least. The secondary development incentive cannot exceed the sum of five percent of the approved capital costs of the project plus \$5,000 for each job created directly in the operation. The Act further provides that a grant combining a primary and secondary incentive could not exceed (a) \$30,000 for each job created directly in the operation, (b) \$12,000,000 or (c) one-half of the capital to be employed in the operation, whichever is the lesser amount.

REGIONAL DEVELOPMENT INCENTIVES ACT

Applications for Incentives, by Region, at March 31, 1970

<u>Region</u>	<u>Active Cases</u>	<u>New Investment in Fixed Assets</u>	<u>Direct Job Opportunities</u>
Atlantic Provinces	133	\$310,419,000	11,536
Quebec	263	189,136,000	12,407
Ontario	37	170,341,000	2,788
Prairie Provinces	138	88,488,000	4,739
British Columbia	16	5,230,000	357
	587	\$763,614,000	31,827



In the first nine months of its operation, the program attracted 700 applications. At March 31, 1970, the status of these was as follows:

Applications withdrawn	38
Applications rejected	66
Offers made	167
Offers lapsed	4
Offers declined	5
Offers accepted	107

The accepted offers involved commitments of just under \$30 million in incentives. Together with the cases outstanding at the end of the fiscal year (a total analogous to "active cases" under ADIA), the applications to that date could result in a total of over 31 thousand new direct job opportunities. Their regional distribution is shown in the table.

SPECIAL AREA INCENTIVES

On March 11, 1970, the Minister of Regional Economic Expansion announced the designation under the Government Organization Act, 1969, of 22 "special areas" where the department would be undertaking special action to encourage economic development and social adjustment.

The action to be taken will vary from area to area according to the need, but in some of the special areas will include the provision of incentive assistance to commercial projects essential to the success of a development plan for the area concerned. This assistance can take the form of a development grant, a settling-in grant, a loan guarantee and/or a loan.

From the program's inception on March 11 to the end of the fiscal year, seven applications for assistance had been received.

FUND FOR RURAL ECONOMIC DEVELOPMENT ACT (FRED)

The FRED legislation made a fund of \$300 million available for comprehensive rural development plans, to be developed and implemented jointly by the federal and provincial governments in selected rural areas where there was recognized potential for development but widespread low income resulting from economic and social adjustment problems. The program was administered federally by the Department of Forestry and Rural Development until enactment of the Government Organization Act, 1969, which repealed the FRED Act but assigned to the Department of Regional Economic Expansion the responsibility for carrying through to completion earlier agreements under the program.

Therefore, the Department was involved in the operation of FRED programs for the Province of Prince Edward Island, the Mactaquac and Northeast areas of New Brunswick, the Gaspé and Lower St. Lawrence area of Quebec and the Interlake area of Manitoba.

PRINCE EDWARD ISLAND

The federal-provincial agreement for the Prince Edward Island Development Plan was signed on March 7, 1969, and implementation began in 1969-70. The main programs begun during the year were:

Integrated Land Management

A series of studies started previously on various aspects of land-use planning was completed and a land-use planning unit was established within the newly-created Provincial Department of Development to provide information and planning assistance to the government agencies responsible for program im-

plementation. Work was continued on a project, begun under the Atlantic Development Board, to provide a new second-order map control survey and a series of topographical maps for the Province. Ground-water studies were undertaken to provide information needed for planning future water supplies for urban areas.

Development of Land Based Resources

The Land Development Corporation, which is responsible for implementing the program of farm consolidation and alternative land use through the purchase of land for resale, lease back into agriculture, or diversion to more suitable uses, was organized during the year and ready to commence operations as of April 1, 1970. The Provincial Department of Agriculture was re-organized and staffing was commenced to provide comprehensive agricultural extension and educational programs to the farmers of the Province.

The main projects for the expansion and improvement of tourist facilities on the Island were; the continuation of development at the Brudenell Recreational Complex; the construction of a golf course at the Mill River site in West Prince County; improved tourist accommodation in a number of Provincial Parks; and extensions to the Travel Bureau system to provide tourist information and accommodation reservations.

Fisheries

During this first year, initial efforts were made toward implementing the program for rationalization of the fisheries industry. Fourteen ports requiring expansion or improvement of facilities were identified, and a

fisheries extension program was started and work continued on the development of a fisheries handbook to provide a ready reference for fishermen.

Education

The Province continued planning for a fully consolidated educational system at the primary and secondary levels. In addition, the two existing colleges were amalgamated to form the new University of Prince Edward Island. An institution for post secondary vocational education, Holland College, was established, offering new opportunities for Island residents in vocational and commercial training. In the realm of adult education and vocational training, the program financed by the Department of Manpower and Immigration was expanded in its application to Prince Edward Island. Increased emphasis is now being given to training for employment opportunities in the resource based industries and for new jobs being created through the Development Plan.

Housing and Urban Services and Development

The Development Plan provides funds for new projects to complement the housing programs of CMHC. A new Housing Authority was established by the Province to plan and administer these projects. Planning was completed during the year so that two new projects to provide assistance for home ownership by low income families and home improvement for structurally-sound but sub-standard houses were ready to begin operation in the new fiscal year. Engineering studies were completed for sewage treatment systems in the major urban centres of Charlottetown, Summerside and Montague.

Transportation

Thirty-one projects for the grading and paving of 58 miles of resource highways were completed. In addition, 12 miles of collector highways were constructed.

Market Development and Short Term Credit

Through an Act of the Legislative Assembly, a Provincial Lending Authority was established to consolidate all the lending activities of the provincial government under the Development Plan. A Natural Products Marketing and Development Center was also established during the year and initiated studies for improved marketing of Island produce.

Public Participation and Involvement

A series of projects was undertaken to ensure full public participation and involvement in the implementation of the Development Plan. The federal government assisted the Province in projects for public communication, counselling, community resource development, Indian youth development, co-operative management improvement, producer-owned marketing systems, and consolidation of the dairy industry. A very successful leadership institute was started which, in its initial year, provided services to 2,500 people representing 68 organizations by assisting them to hold conferences, seminars and workshops in the areas of their particular interest. The federal government also gave financial and technical assistance to voluntary institutions having aims compatible with the Development Plan.

Other Activities

Projects for industrial financing, and for technical assistance to industry, were initiated. Preliminary studies and engineering designs for waste-treatment facilities at four industrial plants were undertaken, with construction scheduled to begin in 1970-71. Studies were also begun to develop a system for continuously evaluating the effectiveness of the measures being taken under the Plan, to provide a basis for future improvements in the overall design.

MACTAQUAC AREA, NEW BRUNSWICK

The Comprehensive Rural Development Plan for the Mactaquac Region dates from September, 1966. This FRED agreement was thoroughly re-evaluated during the fiscal year 1969-70, and a decision taken to negotiate revisions in 1970-71.

Recreational Development

The largest expenditure of federal funds in 1969-70 was allotted to recreational development. The Mactaquac Golf Course, Lodge and the first 105 units in the Campground were completed. Preliminary work was undertaken on the development of 200 additional campground sites. The day-use secondary park at Woolastook was completed, and an agreement was concluded with a private developer for the creation of a wildlife park on the Woolastook site. Work continued on the Kings Landing Historic Village; all buildings were on site and in various stages of restoration. A small display area and one historic building were readied for public viewing in the summer of 1970.

Industrial Development

Considerable effort was expended on industrial site development. Construction of the Ste. Anne-Nackawic Pulp Mill proceeded as planned, with the mill scheduled to be in operation during the spring of 1970. In the Town of Nackawic, housing starts accelerated rapidly during the year as the Town was readied for the influx of workers for the pulp mill.

Land Use Adjustment

Land was purchased, leased and sold during the year as part of the continuing land bank program. Projects included consolidation of forest lands, aid to property owners in moving to new locations, and provision of lands required for development of the forest, recreation and historic sectors. The counselling program, operated in conjunction with this program, provided assistance to land-owners and others. Assistance included counselling related to upgrading, retraining and mobility programs.

NORTHEAST NEW BRUNSWICK

The Comprehensive Rural Development Plan for Northeast New Brunswick, signed in September 1966, was also the subject for review during 1969-70 in preparation for negotiating its revision. Highlights of the main programs under this Plan were:

Manpower

Nearly 2,000 students enrolled for basic skill development courses under the Plan. There were also over 1,100 students enrolled in skill-training courses, financed through the Department of Manpower and Immigration. A large number of students took special orientation courses offered by the Vocational Educa-

tion Branch of the New Brunswick Department of Education.

The capital works program for schools continued. The Campbellton Senior Vocational and Trade School Complex and the Bathurst Trade School expansion neared completion. Both were scheduled for use at the beginning of the 1970-71 school year.

Counselling

Some 650 families have been assisted by the counselling program to date. In 1969-70, one manager, four counsellors, a social development coordinator and nine local advisors were employed in the program. They handled 132 new cases and 217 active cases, of which some 35 were resettled during 1969-70 under the provisions of the program.

Land Use Adjustment

This program provides for land acquisition, resettlement grants and farm and woodlot consolidation. Thirty-five separate properties were acquired during the year.

Housing

Plans were completed for four communities and two provincial district planning regions were established. Work was to begin on housing plans for an additional three communities in the spring of 1970. Forty public housing units in Bathurst and 104 units at Campbellton were completed. New public housing starts included 142 at Bathurst, 32 in Campbellton, 18 in Dalhousie, 15 in Shippegan and 10 at Tracadie.

Transportation

Federal expenditures were devoted to repairs on the Ste. Isidore-Allardville Road and new work on the

Allardville-Bathurst Mines Road. Major expenditures were made on the continued construction of the Bathurst-St. Quentin Road to resources.

Fisheries

The marine haulout at Caraquet was completed and in use; work continued on the fishing boat repair facility. Assistance was also provided for a study of the total fisheries infrastructure in the region.

Employment Opportunities

Short-term employment for approximately 200 jobless men was found in reforestation, forest management and land-clearing projects, as a means of helping them to prepare themselves for new employment opportunities. Further projects of this kind were under development for 1970-71.

LOWER ST. LAWRENCE, GASPÉ AND ÎLES-DE-LA-MADELEINE AREA, QUEBEC

On May 26, 1968, an agreement for a five-year plan to develop the Eastern Quebec Region was concluded between the Governments of Canada and Quebec.

The plan calls for the social and economic rehabilitation of the region through the modernization of the traditional primary sectors (agriculture, fishery and forestry); the establishment of new activities in the mining and tourism sectors; a training and manpower adjustment program; and the acceleration of town planning and the establishment of the services and infrastructure necessary to fulfil the main objectives.

Primary Industries

With the objective of making agriculture profitable in the Gaspé peninsula, various programs for property development, the improvement of the technical capa-

bility of farmers, and the consolidation of holdings, were undertaken.

In order to assist in the rationalization and modernization of forestry operations, the federal government contributed to the purchase of private and licensed forests and the establishment of experimental forestry farms and forestry complexes, as well as to reforestation and silvicultural treatments programs.

A census of inshore fishermen was undertaken as a basis for developing methods of diversifying production.

Tourism

Work was started on an overall plan to develop the region's potential to attract new visitors, the development of three high-priority tourist resorts, various campgrounds, and the development of fish breeding facilities at Gaspé.

Social Adjustment and Adult Education

A major purpose of this program is to provide professional counselling and manpower adjustment services, to help people adjust to the changes that are to take place within the traditional sectors. The federal Department of Manpower and Immigration financed the carrying out of pre-employment courses and vocational training programs.

Transportation and Urbanization

A major study was undertaken in order to develop the most effective measures to improve the internal highway network of the region and to strengthen the ties connecting the region with the outside world. Contributions of the federal government during the year were toward a study of Eastern Quebec and toward

the construction of new sections of the belt highway for the McGerrigle Mountains.

In order to help the main centres to absorb families which must move from other parts of the region, federal funds were provided to assist in the preparation of town plans, and the construction of sewers and water systems in priority centres.

Administration

A joint administrative structure to co-ordinate government expenditures in the region was established and provision was made for the participation of the local people as well as the various government departments contributing to development.

INTERLAKE AREA OF MANITOBA

In the Interlake plan, signed in May, 1967, approximately one half of the federal government expenditures have been committed to improving the educational training of residents in the area. These programs are designed to give wage earners an opportunity to earn a higher income in their current occupations, or to develop their ability to qualify for jobs in other occupational categories.

Adult Education and Training

During the year 1,366 adults enrolled in education programs under the FRED plan. The majority enrolled in vocational courses aimed at upgrading participants to a level at which they can meet the entrance requirements of the three community vocational colleges in the province. Others enrolled in more advanced or more specific educational or training programs, such as the farm management and fisheries training courses, or the Manpower Corps program.

FUND FOR RURAL ECONOMIC DEVELOPMENT ACT
Expenditures for the Year Ending March 31, 1970

NEW BRUNSWICK

Mactaquac Area	
Counselling	33,544
Land Use Adjustment	97,430
Resource Management	16,439
Recreation	797,401
Townsite Development	375,000
Administration	61,533
	<u>1,381,347</u>

Northeast New Brunswick

Counselling	173,146
Land Use Adjustment	188,335
Farm Land Improvement	750
Fisheries Development	128,491
Transportation	705,079
Recreation	24,000
Employment Opportunities	109,064
Administration	175,371
Implementation Grant	1,600,000
	<u>3,104,236</u>

PRINCE EDWARD ISLAND

Integrated Land Management	576,308
Development Land Based Resources	505,057
Fisheries	22,920
Housing & Urban Services & Development	10,114
Transportation	1,928,843
Industrial Waste Disposal & Water Supply	52,131
Manufacturing & Processing	5,049
Plan Management	550,159
Public Participation & Involvement	320,413
Evaluation	43,455
Development Grant	2,600,000
	<u>6,614,449</u>

MANITOBA

Interlake Area	
Administration	106,192
Manpower Training	171,655
Manpower Corps	279,960
Evaluation	17,334
Land Development	128,051
Water Control	847,069
Roads	912,180
Resource Management	207,603
Recreation	354,625
Land Adjustment	127,273
Training-in-Industry	150,351
Community Affairs	63,188
Industrial Park	40,000
Fisheries Adjustment	14,390
Implementation Grant	360,000
	<u>3,779,871</u>

QUEBEC

Lower St. Lawrence, Gaspé and Iles-de-la-Madeleine Area	
Administration	632,100
Agriculture	270,300
Forestry	1,462,067
Fisheries	868,206
Recreation and Tourism	945,484
Social and Manpower Development	514,640
Urbanization	606,000
Regional Transportation	1,825,474
Research	181,950
	<u>7,306,221</u>
	<u>22,186,124</u>

which has proven to be extremely useful in training participants for new occupations. Participants in Manpower Corps projects undergo a period of intensive on-the-job training and classroom studies aimed at motivating them to seek regular employment. During 1969-70, the Manpower Corps program included eleven individual projects providing participants with training in such varied areas as diamond drilling, light and heavy construction and professional guide work.

Resource Development

The FRED plan has a number of programs directed at developing the primary resources and improving the infrastructure base so that Interlakers can work towards generating continued economic growth. Programs associated with Resource Development include:

- incentive grants of \$4 per acre for bush clearing of potential ranch land. In 1969-70 over 108,000 acres received authorization under this project, but economic conditions resulted in only a modest proportion of this acreage being actually cleared;
- major improvements to drainage systems protecting good crop land included work on 48½ miles of ditches during the year;
- road and highway construction in the area, including over 80 miles of grade work and gravelling and over 60 miles of base work and asphalt surface treatment;
- development of recreational sites along the west shore of Lake Winnipeg, including progress on the construction of the Hecla Island Provincial Park, the Winnipeg Beach development and the acquisition of land for recreational purposes;

- wildlife management programs designed to enhance the supply of water and land fowl and other game animals, expected to provide an additional form of livelihood for Interlake residents;
- capital assistance towards an industrial park at Selkirk, with a view to attracting additional firms to this area;
- training programs to provide fishermen in the region with an opportunity to enhance their income by teaching them other skills or by teaching them more successful fishing methods.

Community Affairs

The program requires extensive communication between government planners and workers and area residents. The home visitors program utilizes local residents as "interpreters" to assist program participants to adapt to new situations created as a result of the program. The locally elected Area Development boards function as community and regional catalysts by involving Interlakers as individuals and as members of organizations in development activities both within and beyond the scope of the FRED agreement. In addition, community leadership programs have provided resident adults and youths with a number of seminars and workshops in which they are encouraged to present their views on problems and issues and on possible solutions to these problems.

Evaluation

The important task of measuring the impact of regional development efforts on the people and the economy of the Interlake region was started in 1969-70. With the assistance of the University of Manitoba, comprehensive economic and agricultural models are being

developed and surveys are to be carried out in order to evaluate the importance of that impact.

AGRICULTURAL & RURAL DEVELOPMENT ACT (ARDA)

March 31, 1970, was the closing date for the approval of programs and projects under the second ARDA federal-provincial rural development agreement. Programs approved during the 1969-70 year were, however, to be operative in 1970-71 and, in some cases, to March 31, 1972. Discussions on future agreements were also underway during the fiscal year.

NEWFOUNDLAND

The main resource development programs were bogland reclamation, community pastures, and parks. Small expenditures were made on community services and support for provincial rural development activities.

NOVA SCOTIA

Resource development and adjustment programs accounted for the major portion of the expenditures during the year. Assistance to farmers included projects in pasture and bogland development and land consolidation. Members of the agricultural labour force were assisted in securing better employment, partly through training for upgrading personal skills. Assistance was given to small woodlot owners, through stand improvement projects, construction of access roads, and purchase of seedlings for reforestation. Funds were also allocated to development of campgrounds and picnic sites.

NEW BRUNSWICK

Federal ARDA expenditures were mainly for continuing resource adjustment programs in agriculture, forestry, and soil and water conservation. Some funds went for provision of social adjustment and counselling services for residents of low-income communities, to encourage them to take advantage of manpower training and mobility programs. The Union of New Brunswick Indians was assisted in exploring the feasibility of creating an Indian history and craft centre in Mactaquac Park. An ARDA-financed study was completed on the harvesting, conservation, and marketing, by Indian people, of the fiddlehead (a local vegetable delicacy).

QUEBEC

Programs approved during the year included: financial assistance for farm expansion and consolidation; improvements to water-courses for better land-drainage on the plain of Montreal and elsewhere; a fish hatchery in Labelle county; recreation and tourism development in Saint-Felicien, and in La Verendrye and Mont Tremblant parks; a shipway in the Iles-de-la-Madeleine; an inventory of woodlots; and studies of erosion and the water table in the Saguenay-Lac St. Jean area.

ONTARIO

Among the projects approved during the year were: financial assistance for farm expansion and consolidation; community pasture development; reforestation; recreation and wildlife conservation; improved farm drainage; development of public and private forests; cranberry growing; and pasturage on Manitoulin Island.

MANITOBA

The program continued to give emphasis in 1969-70 to soil and water projects as well as to the development of parks and public recreational areas throughout the province. Land conversion and resource rationalization studies constituted the main focus in research. The programs in leadership training, adult education and extension information services, especially for people of Indian ancestry, were continued on about the same scale as the previous year.

SASKATCHEWAN

Soil and water conservation, alternative land use projects and community pasture development continued to constitute the largest part of the program carried out in Saskatchewan during the year. Surface and groundwater studies and water conservation surveys, as well as flood control and land use investigations in the delta region of northern Saskatchewan, also continued. Programs designed to assist low income persons in rural areas, particularly those of native ancestry, were further expanded both with regard to leadership training and education and to improved job opportunities through physical resource development. There was also a major allocation of funds for recreation and parks development.

ALBERTA

Soil and water conservation, flood protection and drainage and community pasture development provided most of the 1969-70 projects. The major emphasis was on the development of projects that serve to complement human resource development objectives, particularly with reference to improving employment opportunities and living standards of people of

native ancestry. Therefore, while physical resource development commanded the largest share of attention, a large number of projects emphasized leadership training, education and the development of better technical skills to enable native people to take advantage of job opportunities which may be available in the region but not necessarily in the specific area in which they are living.

BRITISH COLUMBIA

The main emphasis in programming in British Columbia continued to be on the rehabilitation and extension of irrigation and water supply systems, particularly in the Okanagan valley. Other programs which were continued in British Columbia during the year included construction of the Ksan Indian Village and Campground in the Northern British Columbia Rural Development Area, the Socio-Economic Resource Study being conducted in the Central Kootenay area and the development of a large irrigation project on Indian Reserve No. 1 near Kamloops.

The tables show total ARDA expenditures by the Department in 1969-70 and, apart from small payments still being made under the first agreement, the distribution among the main classes of programs in each Province.

**FEDERAL EXPENDITURES ON ALL ARDA PROJECTS,
FIRST AND SECOND AGREEMENTS FOR THE 1969-70 FISCAL YEAR**

<u>Province</u>	<u>First Agreement</u> <u>Expenditures</u>	<u>Second Agreement</u> <u>Expenditures</u>	<u>Federal Research</u> <u>and</u> <u>Can. Land Inventory</u>	<u>Total</u>
	\$	\$	\$	\$
Newfoundland	—	756,049	36,847	792,896
Prince Edward Island	—	209,610	42,274	251,884
Nova Scotia	43,418	1,668,596	534,634	2,246,648
New Brunswick	—	722,546	83,367	805,913
Quebec	4,425	4,328,113	899,443	5,231,981
Ontario	233,926	8,693,425	629,821	9,557,172
Manitoba	61,700	1,010,734	634,440	1,706,874
Saskatchewan	17,510	2,595,421	885,993	3,498,924
Alberta	113,854	2,281,929	367,951	2,763,734
British Columbia	55,673	1,722,955	792,178	2,570,806
Federal Projects	—	—	1,961,181	1,961,181
TOTAL	<u>530,506</u>	<u>23,989,378</u>	<u>6,868,129</u>	<u>31,388,013</u>

**FEDERAL EXPENDITURES UNDER THE SECOND (1965-70) FEDERAL-PROVINCIAL
RURAL DEVELOPMENT AGREEMENT FOR THE 1969-70 FISCAL YEAR**

Province	General	Human Resources	Soil & Water	Resource Development	Provincial Admin.	Federal Research and Can. Land Inventory	Total
	\$	\$	\$	\$	\$	\$	\$
Newfoundland	217,424	9,255	34,360	432,460	62,550	36,847	792,896
Prince Edward Island	—	—	—	209,610	—	42,274	251,884
Nova Scotia	220,489	50,237	118,166	1,254,994	24,710	534,634	2,203,230
New Brunswick	86,046	40,147	128,773	421,852	45,728	83,367	805,913
Quebec	921,210	6,961	229,910	2,769,505	400,527	899,443	5,227,556
Ontario	142,735	4,013	5,750,782	2,634,856	161,039	629,821	9,323,246
Manitoba	313,292	72,851	259,365	322,778	42,448	634,440	1,645,174
Saskatchewan	608,457	195,342	636,638	1,141,213	13,771	885,993	3,481,414
Alberta	789,498	113,374	292,063	943,418	143,576	367,951	2,649,880
British Columbia	17,789	—	1,666,625	—	38,541	792,178	2,515,133
TOTAL	3,316,940	492,180	9,116,682	10,130,686	932,890	4,906,948	28,896,326
Federal Projects						1,961,181	1,961,181
GRAND TOTAL	3,316,940	492,180	9,116,682	10,130,686	932,890	6,868,129	30,857,507

MARITIME MARSHLAND REHABILITATION ACT (MMRA)

Under agreements made in 1966, the Provinces of New Brunswick, Nova Scotia and Prince Edward Island assumed responsibility for protective works for some 100,000 acres of agricultural marshland in the Maritime provinces as of March 31, 1970. Late in 1969, the provinces agreed to accept federal payments in lieu of upgrading certain of the works, before the transfer of authority occurred. Total federal expenditures for the fiscal year, as shown in the table, bring the overall expenditure since the passage of the Act in 1948 to \$32,683,443.98.

The number of active projects on March 31, 1970, and the acreages protected, are shown below:

Province	Projects	Reimbursements	Grants in Lieu	Total
New Brunswick	1,278,395.28	196,347.31	846,000	2,320,742.69
Nova Scotia	238,679.27	120,539.73	806,000	1,165,219.03
Prince Edward Island	—	—	15,000	15,000.00
Total Expenditure: Construction, Maintenance, Surveys and Grants in Lieu				\$ 3,500,961.72

The number of active projects on March 31, 1970, and the acreages protected, were as follows:

Province	Active Projects	Acreage Protected
New Brunswick	28	37,310
Nova Scotia	86	44,575
Prince Edward Island	1	275
TOTAL	115	82,160

ATLANTIC DEVELOPMENT BOARD (ADB)

The Atlantic Development Board Act was repealed by the Government Organization Act, 1969, and all outstanding commitments of the board were assumed by the Department of Regional Economic Expansion. There were 35 projects uncompleted as of March 31, 1970; nine in New Brunswick, 12 in Nova Scotia, three in Prince Edward Island and 11 in Newfoundland. These projects involve water supply systems, tourist and recreation facilities, industrial parks, and assistance to educational institutions. All highway and power projects have been completed.

SUMMARY OF 1969-70 EXPENDITURES ON FORMER ADB PROJECTS

Power	\$ 3,482,901
Water Supply and/or Sewage System	3,784,216
Industrial Park Facilities	1,209,510
Research Facilities	4,164,559
Roads & Highways	6,820,247
Miscellaneous	2,903,995
Total	\$22,365,428

EXPENDITURES BY PROVINCE

Newfoundland	\$ 4,405,848
Nova Scotia	8,889,705
New Brunswick	7,363,419
Prince Edward Island	1,394,716
Projects of a Regional Nature	311,740
Total	\$22,365,428

ATLANTIC PROVINCES POWER DEVELOPMENT ACT

The Atlantic Provinces Power Development Act (1958) provides for agreements between the Government of Canada and the Governments of the Atlantic Provinces, and for subsidiary agreements covering specific projects between the Northern Canada Power Commission and the Provincial Power Commissions concerned, whereby assistance may be provided in respect to the generation and transmission of electric power. Such assistance can take the form of long term loans to cover the cost of constructing thermal power plants and high voltage transmission lines and the payment of a subvention on coal mined and used in the Atlantic Provinces for the generation of electricity. The loans in connection with thermal power plants are repayable over the 30 year period following the completion of construction; those relating to transmission lines are repayable over 40 years.

During the year, no new projects were authorized and no new agreements were entered into under the provisions of this Act. Advances totalling \$35,174,000 were provided for the financing of power projects authorized prior to April 1, 1969, and amortization totalling \$6,819,671.64 was paid to Canada by the provincial power commissions concerned, to cover debt retirement instalments due March 31, 1970.

Coal subvention payments during the year totalled \$1,556,435, of which \$362,559 was paid to The New Brunswick Electric Power Commission, and \$1,193,876 was paid to The Nova Scotia Power Commission. These payments were calculated at the rate of 1.05 mills for each kilowatt hour of electric power generated

during the period March 1 to November 30, 1969 from coal produced in the Atlantic Provinces.

Through agreement with the governments of Nova Scotia and New Brunswick, the payment of coal subventions under the Act was discontinued as of December 1, 1969, and the federal government made a lump sum payment to each province in lieu of future subventions. In the case of Nova Scotia this payment was \$3,100,000, and New Brunswick \$1,500,000.

PRAIRIE FARM REHABILITATION ACT (PFRA)

The following is a summary of the PFRA Annual Report for 1969-70. The full report is available as a separate publication.

The Prairie Farm Rehabilitation Act was passed in 1935 and amended in 1937 and 1961. Headquartered in Regina, Saskatchewan, PFRA operates an extensive land use adjustment program and provides technical and financial assistance for water development projects in the agricultural areas of Manitoba, Saskatchewan and Alberta.

In addition to operating its basic programs, PFRA co-operates with other federal and provincial agencies in land and water use activities, including studies being conducted by the Saskatchewan-Nelson Basin Board. Since 1966 PFRA has maintained engineering personnel in Ghana to provide technical aid in water resource development on behalf of the Canadian International Development Agency.

PFRA became part of the Department of Regional Economic Expansion when the Department was formed on April 1, 1969.

Program Highlights

In 1969-70, PFRA provided technical and financial assistance for over 1,100 farm water projects and 33 small community water storages, and constructed one large rural storage scheme. Irrigation operations continued at six south-west Saskatchewan sites, the Bow River Project in Alberta, and at the Demonstration Farm at Outlook, Saskatchewan. Among the major developments on which expenditures continued were

the South Saskatchewan River Project, the St. Mary Irrigation Project, and the Shellmouth Dam on the Assiniboine River.

Two new community pastures became operative, while four others were amalgamated into two units, leaving the number of pastures at 88. They contain 2.4 million acres of summer grazing for 172,000 cattle owned by 5,555 patrons.

Trees for planting 650 miles of field shelter belts and 8,100 farmstead shelter belts were provided to 9,000 planters from the PFRA Tree Nursery at Indian Head, Saskatchewan.

PFRA EXPENDITURES AND REVENUES 1969-70

1. Expenditures	
Program Administration	\$ 907,487
Land Use Service	3,092,314
Water Development Service	4,658,060
Engineering Service	7,886,290
	<u>TOTAL \$16,544,151</u>
2. Program Revenues	
Return on Investments	\$ 693,838
Privileges, Licenses, Permits	1,273,907
Proceeds from Sales	194,311
Services and Service Fees	1,012,679
Refunds of Previous Year's Expenditures	9,131
Miscellaneous	73,665
	<u>TOTAL \$ 3,257,531</u>