

Economic Conditions in Rural Communities

member of this House will agree with that statement. But is the minister doing that? Is the new department doing that? I ask what consolation it is to the 800,000 Canadians who are unemployed to hear that noble and high-sounding phrase from the Minister of Regional Economic Expansion. Hon. members may think that I am exaggerating when I say 800,000 unemployed in this country but I am quoting from a speech the minister made in this House a few days ago in the budget debate. What advantage can the poor people of this country draw from that phrase? I submit they get the same consolation they got from the phrase "just society" which is now, mercifully, forgotten.

Mr. Speaker, the people of this country expect more than high-sounding and noble phrases. They expect action, and the facts indicate that they are not getting it. What is more important, they are not getting it from the Minister of Regional Economic Expansion who has special responsibility in this area. The performance of the minister does not stand up to critical analysis. It is only fair to say that nobody expected miracles. When Parliament set up the new department and gave this minister these new powers, nobody expected him to create jobs overnight.

Everyone agreed that this would be a long-term program because it was a program to end regional disparity—the age old curse of confederation. Everybody agreed, Mr. Speaker, that this could not be done overnight. It was generally conceded by all members of the House that it would take time to restructure lagging economies and to create the type of economic climate in disadvantaged regions of the country that would provide the necessary jobs for the people to give them those advantages to which the minister alluded in his speech in Saskatchewan a few days ago—to give them, to use the words of the minister, "fuller access to the benefits of our Canadian society."

We were prepared to wait, Mr. Speaker. We figured that perhaps it would take ten or fifteen years. We did not expect the economic situation in the Atlantic provinces to be cured overnight. We did not expect the economic situation in northern Ontario or in parts of the west and northwest to be cured overnight. We felt that it would be a long-term program. But something happened. In the middle of this program there was an election in Quebec and a new government came into power. It came into power on the promise of creating 100,000 new jobs.

Mr. Woolliams: What nonsense!

Mr. McGrath: That was the promise made by that government, and now it finds itself having to fulfil an election promise to create 100,000 new jobs. That changed things, because the Minister of Regional Economic Expansion, whilst he has this responsibility in the government of Canada also has special responsibilities in the government, both political and constitutional, with respect to the province of Quebec. Because of these factors the federal government felt it had an obligation to the new government of Quebec. It felt it had to move to

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get them off the political hook as a consequence of that irresponsible political promise.

I do not mean to diminish in any way the seriousness of the unemployment problem in Quebec. It is very serious. The latest DBS figures indicate that the province of Quebec has 234,000 people unemployed. That is more than twice as many as the new jobs they were promised by their government. The federal government then felt that it had to move in, and nobody quarrels with that. My quarrel is with the way in which they moved. They changed the whole philosophy of this long-term program to end regional disparity; it was a long-term, growth-oriented philosophy. They changed it by amending the Regional Development Incentives Act and they brought these amendments in just before the Christmas recess. They amended this particular statute, which is the cornerstone of the government's regional development policies, by declaring the city of Montreal a regionally disadvantaged area. That was the consequence of what they did.

They amended the act and designated the city of Montreal in the same terms as St. John's, Newfoundland, Halifax, Saint John, New Brunswick, or some of the more disadvantaged areas of the country. They changed the whole philosophy from a long-term regional development philosophy to a short-term program to cope with the situation of its own creation. Unemployment in Canada's largest city was created as a consequence of the government's monetary and fiscal policies to fight inflation. In doing so they destroyed the whole philosophy of regional development in this country. They did this by declaring the largest city in Canada, Montreal, a regionally disadvantaged area. At the committee stage we had an opportunity to examine the government and we heard evidence during the course of the amendments to that act. One of Canada's foremost experts on regional development, Professor Brewis, stated:

The proportion of the population falling within designated regions of one sort or another will be increased from one third to one half. As a result the efficacy of the legislation to aid the formerly designated areas will be diluted. How far it will be diluted is open to question but there is no question that some of the formerly designated areas are going to be relatively worse off.

We are going to be worse off because the government changed a long-term regional development policy into a short-term policy to fulfil a political obligation in the province of Quebec. But, Mr. Speaker, we have to bear the consequences of that action. The Prime Minister (Mr. Trudeau) had something to say about this. Indeed, it seems that every time the subject of unemployment is raised in the speeches of the Prime Minister or any of the ministers they point to the Department of Regional Economic Expansion: it is the government's panacea to cure unemployment and the problems facing the country as a consequence.

Mr. Woolliams: Only nine members in the House.

Mr. McGrath: We face empty government benches every day in this House. The most we can hope for is ten ministers, but they had 18 in Saskatchewan. During the course of a speech in Saskatchewan when referring to