

Successive Canadian Governments have realized the important roles of economic transfers to ensure a vibrant national unity in this country. That is why wise Governments of the past introduced universal programs in health, education, and old age security. That is why past Governments of this country have introduced equalization programs, to take from those that have just a little so that those that have not have a better chance to realize their full potential in this nation. We have used the vehicles of established programs funding to help provinces like Nova Scotia, Newfoundland and New Brunswick to be able to deliver better educational programs at a high national standard.

In the 1970s, it was a Liberal Government that introduced a new program called the General Development Agreements whereby the federal Government, in co-operation with the provincial Governments, embarked on essential programs to make our industry sectors in Atlantic Canada and other regions of this country more competitive on the national and international market. Literally billions of dollars were earmarked for these "have not" areas to try to raise them from their perpetual economic slump, to give the people who live there a chance to participate fully economically in our nation.

In 1984, the Liberal Government again fine tuned its program and came in with Economic Regional Development Agreements which built on the foundation laid by the GDAs. The future held great promise in those days for Atlantic Canadians. However, from 1984 until today we have seen a dark cloud of despair gather over Atlantic Canada. We have seen this Government, by its lack of a vision of this country and its determination to serve its masters on Bay Street and more recently on Wall Street, dash the hopes of Atlantic Canadians.

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During the election campaign successive federal Ministers came to Atlantic Canada to talk about the Government's commitments to Atlantic Canadians. We saw the Minister for International Trade (Mr. Crosbie) stand up in Atlantic Canada and say unemployment insurance programs would not be changed, that regional development programs would remain intact and that social programs in this country were not at risk with the election of another Tory Government.

Regional Development

What a difference a few months make. Last week we witnessed the abandonment of regional development as an essential tool in the Government's economic policy. We saw the Government come in and cut established programs funding to Atlantic Canada, cuts that will result in more hospital beds closing down and heightened crisis for our post-secondary educational institutions in Canada. We saw a Government that misled the people of Atlantic Canada with its so-called commitment to Regional Development Programs.

In Nova Scotia alone there are six agreements that have expired, worth millions of dollars and thousands of jobs in Atlantic Canada. We have seen the Minister responsible for the Atlantic Canada Opportunities Agency play smoke and mirrors with his Atlantic counterparts in the lead-up to the Budget. Just on Friday, the day after that disastrous Budget, he came out and said that the very future of these agreements are still up in the air, that if and when they are signed the matter of how much is paid by the provincial Governments and how much is paid by the federal Government is still up for negotiation.

On the one hand, the Government has cut badly into provincial revenues by the reductions in the EPF. On the other hand, it has cut regional development funding through the ERDA process. It tells those same provinces that they may have to come up with a bigger share if these agreements are indeed renegotiated.

What the Government has done is act like the bully on the block. To show how tough it is, it knocks them down. It picks the weakest one on the block and knocks him down. Once you knock him down, you put the boots to him.

It is interesting that at the same time the Government cuts development funding it is perpetually patting itself on the back for being around during the post recession recovery. It ignores the real disparity that its own policies have caused in the last four years.

It is interesting to note that if one looks at the unemployment rate as a measure of regional disparity, in Newfoundland, in 1983, the average unemployment rate was 55 per cent above the national average. That was shameful. In 1988 that same rate is 110 per cent higher than the national average. In Prince Edward Island, in 1983, the unemployment rate was 3 per cent higher than the national average. In 1988, after four years of Tory Government policies, that rate stands at 37 per cent above the national average unemployment rate. This,