

# HOUSE OF COMMONS

Thursday, May 17, 1984

The House met at 11 a.m.

● (1105)

## GOVERNMENT ORDERS

[English]

### BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—REGIONAL ECONOMIC DISPARITIES

**Mr. Tom McMillan (Hillsborough)** moved:

That this House condemns the Government for abandoning its commitment to alleviate regional economic disparities and thereby encouraging continued economic inequality between the Atlantic provinces and the rest of the country through a policy of gutting the Department of Regional Economic Expansion, slashing investment in regional development, and downgrading, for political purposes, federal-provincial development agreements.

He said: Mr. Speaker, few Opposition motions on any subject are as important as the one we are debating today. The motion strikes at the very heart of what Canada is supposed to be all about, namely a land of opportunity from coast to coast, from sea to sea.

The country's wealth is shared unequally from one region to another and from one province to another. Indeed, national myth notwithstanding, the difference in economic opportunity between residents of Prince Edward Island and Newfoundland on the one hand, and those of Ontario and Alberta on the other, for example, is analogous to the economic disparities between blacks and whites in the United States. It is as though we in the have-not parts of Canada were living in a separate country altogether from the land in which the wealthy provinces of Canada find themselves. Yet the current government has abandoned any commitment it had to alleviating regional economic disparity in Canada.

After 16 years in office, the Prime Minister (Mr. Trudeau) prepares to take his leave knowing, as he must, that regional disparities have not improved a whit in the time that he has been in office. The irony is that in his first election campaign in 1968, only days after becoming Leader of his Party, the Prime Minister made the elimination of regional economic disparity his major commitment and his only major specific promise. How the hopes and expectations of Atlantic Canadians were raised by him in that campaign!

Those sentiments were raised still higher when in 1969 the Government heralded the creation of the Department of Regional Economic Expansion. To be fair, and I want to be fair, I believe sincerely that at the time the Prime Minister actually was committed to the high-sounding objectives of the

Throne Speech of the day in which the proposal for the Department of Regional Economic Expansion was made. However, like the North-South dialogue and now his peace initiative, the regional disparity issue was but a fad for him, something to entertain his mind until the next political fashion came along.

● (1110)

Certainly the record of the Government from the time of the establishment of DREE to the present has not been one of relatively stronger economic growth in Atlantic Canada. Rather, it has been one of continued economic disparity between the region and the rest of the country. When DREE was established in 1969, the earned income per person—personal income excluding government transfer payments like unemployment insurance—was \$1,738 in the Atlantic Provinces. For the rest of Canada, the corresponding figure was \$2,747. The personal income of people living in the Atlantic Provinces was only 63.3 per cent of the personal income of those living in the rest of Canada. In 1982, the last year for which data are available, the per capita earned income in the region was \$7,312 compared to \$11,455 for the rest of Canada, making a ratio of 63.8 per cent. There was an improvement of only one-half of 1 per cent in 13 years.

Similarly, in 1968, the first year of the Prime Minister's administration, there were 38,000 people unemployed in the Atlantic region and 320,000 people unemployed in the rest of Canada. The number of jobless in the region constituted 11.9 per cent of the number of jobless in the rest of Canada. In April, 1984, with 143,000 people unemployed in Atlantic Canada, the regional jobless figure is now 11.4 per cent of that of the rest of Canada. The disparity has narrowed, Mr. Speaker, only one-half of 1 per cent in 16 years. Indeed, the number of jobs in Atlantic Canada relative to the rest of the Canadian labour force has actually shrunk and not increased since the Prime Minister first took office. It has gone down from 8.5 per cent to 7.9 per cent.

Only 6 per cent of the jobs created in Canada in the last 16 years have been created in the Atlantic region. Yet the region contains over 9 per cent of the country's population. In 1968 the seasonally adjusted unemployment rate was 6 per cent in the Atlantic region compared to 3.9 per cent in the rest of Canada. In April, 1984 the seasonally adjusted unemployment rate was 15.1 per cent in contrast with the figure of 11 per cent for the rest of Canada. The ratio is exactly the same now as it was 16 years ago—one and a half to one, to the disadvantage of the Atlantic Provinces.

It is not at all difficult to identify what went wrong with the Government's regional development policies. There were two