

Unemployment

rest of Canada holding forth on the virtues of their areas, we tend to swallow it holubolus.

There are some bright indications for the future of the maritimes, however, and among them are the vast mineral discoveries which have been made in New Brunswick. The new techniques in the marketing of food, such as the quick-freezing of vegetables and farm products, do help, and it is hoped it will develop into a very important industry in the near future. The new process for producing such products as fish sticks is having a beneficial effect on our economy generally.

So far as my constituency is concerned, I note that the employment office there, which services two counties, reported last week that during that week the number of unemployed dropped off by 114, but that is only a local trend, which was caused by the fact that the weather has been favourable in recent weeks in the maritimes and building is picking up. In addition to that, in the city of Charlottetown some relief is given owing to the fact that at last the new federal building there is actually under construction after the item has appeared repeatedly in the estimates for about ten years.

I should like to quote briefly figures relating to the maritimes as compared with the rest of Canada. The maritimes are not progressing economically at the same rate as the rest of Canada has since the war. This trend has been going on ever since confederation. In 1946 the maritime provinces had 9.6 per cent of the Canadian population. By 1953, the figure had dropped to 8.5 per cent. In 1946, the maritimes had 8.8 per cent of the labour force. This figure had dropped to 7.6 per cent by 1953. In 1946, the maritimes had 4.4 per cent of the farm cash income of Canada. This figure had dropped to 4 per cent by 1953. In 1946, the maritime provinces alone had 9.6 per cent of the population, but only 2.9 per cent of the electric power produced in Canada. That figure had risen relatively to 3.3 per cent in 1954, and that is one of the few improvements I see in the general picture.

In 1953, the maritimes had 8.8 per cent of the population but only 4.8 per cent of the new investment. From 1949 to 1954 in manufacturing new investment declined 20 per cent in the maritimes. In my province, our economy depends entirely on agriculture, the tourist industry and fisheries. Among those, agriculture is so important it can be truly said that if the farmers are prosperous everyone is prosperous, and if the farmers are not prosperous nobody is prosperous in that area.

I note with considerable alarm the fact that the cash income of agriculture in my province dropped off seriously two years ago and has stayed at that lower level since. I regret that I have not up-to-date figures on the farm net income, therefore I have to give the figures for cash income. In 1952, the farm cash income in Prince Edward Island was \$31,500,000. In 1953, it had dropped to \$22,500,000, and in 1954 it stood at \$23 million. It was up only \$500,000 in that year. This prolonged low-level income reflects unfavourably on the province generally. It results in farmers having to forgo ordinary maintenance expenditures on their buildings, on their equipment and on the proper care of their soil, which is their working capital. In other words, they have to draw on their working capital in order to live. That creates a condition which, if allowed to persist, would make it impossible for the farmer ever to recover his position. His soil becomes eroded, his buildings become dilapidated, and his family goes off somewhere else to seek its livelihood. Then you have the situation which now exists on many farms in Prince Edward Island. You have an old couple living on old age pension on a farm that is no longer worked, and which will go out of production permanently when they die. That I say, Mr. Speaker, is a very serious state of affairs.

It may be fair to say that it is quite easy to point out difficulties, and to say things are not as good as we would like them to be. I would be less than fair if I did not offer at least a few suggestions which I think would go some way toward relieving this situation.

To begin with I would suggest most sincerely to the government that greater consideration be given to tariffs and their effect upon the economy of the maritime provinces. At the present time Prince Edward Island exports potatoes, one of its chief products, to the United States over a tariff barrier of 37½ cents per hundredweight for a quota, which tariff doubles after the quota has been reached. Our exports include a large amount of seed potatoes which the United States are almost forced to obtain from the maritimes because of the cooler climate and the fact that they produce the best seed. The result is that due to this tariff on Canadian potatoes the small economy of Prince Edward Island contributes \$2 to \$3 million to the United States treasury annually.

What is the situation with regard to United States potatoes coming into Canada? The state of Maine produces more potatoes than the whole of Canada. That state is located in a strategic position close to the largest