

*Supply*

for Cardigan is 30 per cent. There are communities in my riding consisting of 80 or 90 people not one of whom is working. Thankfully, most of them are receiving unemployment insurance. However, the Government is conducting a witch-hunt into the unemployment insurance program. It has a committee that is travelling to Atlantic Canada to discuss the Unemployment Insurance Commission. The Premier of New Brunswick made a statement to that committee and pointed out very clearly what the impact of tampering with UIC regulations would be on Atlantic Canada. The only alternative to UIC in Atlantic Canada would be outright welfare.

What is the purpose behind the Government's policy? I am pleased that two cabinet Ministers from Atlantic Canada are in the House today to listen to our opinions. Since they are in a position of power with the Government, I hope they will attempt to persuade Treasury Board and their cabinet colleagues that we are correct in saying that there is a serious situation in Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland. They are the representatives of Atlantic Canada in a position of power. The Minister of State for Forestry (Mr. Merrithew) was a former cabinet Minister in the New Brunswick Government. He has provincial experience, as I have. He understands the difficulty provincial Governments have when the federal Government tries to cut back on transfer payments. I would like to hear the Minister tell me and tell this House today whether the cut-backs in transfer payments are going to hurt New Brunswick, as his former Premier has indicated. I challenge him to do so. If he does not say it will hurt, he is not telling the truth, or the Premier of New Brunswick is not telling the truth. I believe what the Premier of New Brunswick is saying is correct.

● (1150)

I know the Minister of State for Forestry will rise in his place today and state unequivocally that the proposed reduction in transfer payments is nothing more than shifting the tax burden from the federal Government to the provincial Governments and ultimately to the taxpayers of Atlantic Canada who will have to pay more. That is the bottom line. It does not matter to whom you have to pay taxes, it is the amount you have to pay that counts. If the federal Government is not meeting its commitments to the provinces and it is not meeting its commitments through the provinces to the municipalities, then the services Atlantic Canadians receive will have to be taxed, either transferred from the federal Government to the provincial Government or to the municipalities. That is what my colleague, the Hon. Member for Cape Breton-East Richmond (Mr. Dingwall) elaborately pointed out earlier.

I come now to cut-backs. In my province, living on an island similar to that of Newfoundland, we have the problem of transportation. We cannot get into our automobiles and drive from Halifax to Vancouver without paying a toll.

It is bad enough for the Government to increase ferry rates to Prince Edward Island, which in turn increases costs in agriculture, fishing and tourism, but these increases hit the ordinary Prince Edward Islander who wants to be part, and is

part, of this country. In my opinion, he is discriminated against because that person from Prince Edward Island has to pay to go to Cape Tormentine, New Brunswick or to Pictou, Nova Scotia. Not only are the costs increasing rapidly but the service is deteriorating.

The Government, instead of doing something, changes the name of a Department or of a Crown corporation to make it look as though it were the Government's. CN Marine is now going to be Marine Atlantic, or something like that. It is the same thing. Changing the name will not make any difference. The same charges and the same deterioration in service will occur.

CN Marine has laid off 40 employees just recently. We have cut-backs everywhere we look, a job here and a job there in the Public Service. Atlantic Canadians can no longer stand that. The Government has to get wise, and the two cabinet Ministers sitting over there have to be the ones to make the Government listen.

**Some Hon. Members:** Hear, hear!

**Mr. Henderson:** They are the ones, Mr. Speaker. We have only one economic portfolio in Atlantic Canada.

**An Hon. Member:** Half of one.

**Mr. Henderson:** Yes, half of one, because it is the Minister of State for Forestry who has a budget under the Minister of Agriculture. I suppose that in some way you cannot really say we do not have at least one economic portfolio.

Here is an area about which something should be done by this Government. Someone has to be around in the corridors of power in order to point out these things clearly and directly to the new Government. It is obvious that the people we face here every day in the few front benches along with the Prime Minister (Mr. Mulroney) and the Deputy Prime Minister (Mr. Nielsen) do not understand what we are trying to get across. They do not understand the plight of the fishermen in Newfoundland, or else they would have put another \$100 million into the small craft harbours instead of cutting the fishery budget. If the Government had understood, it would not have abused user fees on agricultural products nor would it have increased gasoline prices and ferry rates or allowed a deterioration in service brought about by the decrease in crossings. The Government should understand what real Atlantic Canadians are thinking and saying.

I can tell you there will be a judgment day, Mr. Speaker, for those Members of Parliament from Atlantic Canada on the Government side, and it may come a lot quicker than they think. I can tell you that the people in Cape Breton, the people in Nova Scotia, including Halifax, and the people of New Brunswick are telling me that they are embarrassed by the kind of representation they are getting here in Ottawa.

**The Acting Speaker (Mr. Paproski):** I regret but I must advise the Hon. Member that his time has expired.

**Mr. Henderson:** I could go on, Mr. Speaker.