

have trouble in obtaining statistics for Newfoundland; but when statistics were available, as they were in August of this year, they showed that over 8 per cent of our people were unemployed. Mr. Speaker, in the middle of the summer 8 per cent of our people were unemployed!

An hon. Member: Last January the figure was 20 per cent.

Mr. Lundrigan: As an hon. member says, last January our unemployment rate was at over 20 per cent. The unemployment rate for the Atlantic region as a whole runs to over 5 per cent. What kind of country is this that permits such a situation? At the same time, we are getting rid of our post offices and seeing certain seasonal employees in our part of the country laid off. Apparently the Department of Forestry refuses to do certain things. The Minister of Public Works (Mr. Laing), while all this is happening, has taken a holiday. Actually, I do not blame the minister, because I do not think he is responsible for his department's activities in this respect. But that is the kind of situation we face, Mr. Speaker.

Perhaps we all lack courage. Many problems face our nation and everyone in this House talks about those problems. Members of my party, members of the group to our left, members on the government side—even the Prime Minister—talk about the problems of our nation. At the same time, we do not seem to have the courage to do much about them. What really concerns me, what really raises my ire, is the way 1,800 Labrador fishermen, who failed in the fishery, were treated. Was it not a queen in Europe who told the people to eat cake when there was no bread? That is what the government said to our fishermen. It told them to eat cake, to go on the dole. Is this the just society?

Some hon. Members: Shame.

Mr. Lundrigan: I see that the Minister of Fisheries (Mr. Davis) is not here, Mr. Speaker. The fact is that we have about half a million people in Newfoundland and only about 2 million people in the rest of Atlantic Canada, and many of them are leaving for the suburbs of Toronto and other cities. Perhaps they should all move out and create one large suburb somewhere. What bothers me is this: Will the government yield to the great power blocks of central Canada, to the pressures coming from the great population centres? Will it yield to political expediency? Will it do what will please most voters, at the

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expense of Atlantic Canada? Will it make decisions that lead to political glory but that do us little good? I do not think the government has the courage to come to grips with the economic troubles facing our nation. This worries me.

I could continue in this vein all day, Mr. Speaker, but I will say this in conclusion. This government must show that it cares for its people. It must show it has deep understanding and some concern. I am not using big words, you will notice. "Care" is a small word, and so is "understanding". If the government does not have the courage to come to grips with Atlantic Canada's economic problems, it will be defeated. That is not very important, Mr. Speaker. The important thing is that if nothing is done our nation may fall apart.

• (12:10 p.m.)

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, on Wednesday, August 13, the Prime Minister (Mr. Trudeau) spoke to the country about actions which the government was taking as a result of a comprehensive review of its expenditure and revenue patterns.

He pointed out that the review had disclosed, in particular, three compelling facts. First, almost without exception, this decade has been characterized by yearly budgetary deficits exceeding \$4 billion in total and requiring upwards of \$400 million per annum to service.

Second, despite a buoyant economy, increases in taxation and rapidly growing revenues, expenditures have shown a continuing tendency to outstrip revenues. Analysis shows that this phenomenon has resulted mainly from a rapid and larger than anticipated growth in certain large programs which the federal government shares with the provinces. Expenditures for such programs as hospital insurance, the Canada Assistance Plan, post-secondary education, and now Medicare, are projected to grow at a much more rapid rate than the increase in revenues at current tax rates. This means that unless taxes are to be increased further or savings are found elsewhere, the country will be faced with the situation of chronic and growing deficits in our public accounts.

Third, while new programs and activities are being introduced, old programs continue to grow with very little evidence that these were subjected to careful evaluation and scrutiny to see whether they are as relevant