

*The Budget—Mr. Bower*

What I do not find in either the budget, the estimates or the minister's remarks is a hard undertaking that selective fiscal moves are assured to assuage the deflationary effects the over-all policies will have in areas such as the maritime provinces. I do not have to labour the point of the undesirability of weakening an already relatively fragile economy. Dr. Deutsch, in the second annual report of the Economic Council of Canada, has stressed adequately the essentiality of ironing out regional economic disparities in order to avoid the perpetuation of a series of poverty pockets.

I believe the government could well take a page from President Johnson's book and note that, confronted as he is with every problem we face in Canada and more, he has not lost sight of the need to apply corrective measures in the solution of the problem of Appalachia, a situation parallel in many ways to the one Canada has in her Atlantic provinces.

Like most hon. members, I suppose, I took advantage of the Easter recess to visit broadly across my constituency. I was tremendously impressed with the consternation almost universally expressed by my constituents. This consternation stemmed from their conviction and fear that the budget presaged the administration of remedies calculated to counteract an illness not affecting their area, one which is certainly not affected by an overheated economy.

Shelburne-Yarmouth-Clare, the constituency I have the honour to represent, embraces the western end of our province and constitutes one of its areas of relatively low personal income, little industrial development and a disproportionately high percentage of the population aged 60 and older. Fishing, fish processing, wooden ship and boat building, the tourist industry, the ancillary service industries and the retail trade provide the bulk of employment. There is only one sizable manufacturing plant in the area, a cotton mill employing about 500 people.

A 1965 study of Yarmouth's economy, subtitled "A Preliminary Socio-Economic Assessment" by a group of four professors from the departments of economics, education and commerce of Acadia University points out that during the 1951-1961 period the natural increase in population, the excess of births over deaths, was 3,249. The census

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reports, however, show the population increased only by 592. The Acadia group makes special note that—

—there exists a marked similarity between the structure of society and the economic problem experienced (in Yarmouth county) in the adjacent counties of Shelburne, and Digby of which latter, Clare is a municipal unit.

● (12:00 noon)

This all adds up to the fact that the constituency as a whole has a high proportion of elderly folk, most of whom live on small fixed incomes, are peculiarly vulnerable to rising living costs, and can easily be forced back on the municipalities for support. It also adds up to another load on the municipalities—the burden of educating the youth of the area who, in very high proportion, move away, as indicated by the static population, just as they are about to become productive. To provide good educational facilities and retain high quality teachers in competition with more prosperous sections of the province already extends to the limit municipal financial resources deriving from a narrow tax base.

During the past ten years it is true that Nova Scotia and Shelburne-Yarmouth-Clare have moved ahead notably, but as a province and as an area within a province they are insufficiently robust to withstand a prescription of fiscal sedation. I conceive Nova Scotia, Mr. Speaker, to be the great wharf of Canada and it seems to me that its potentials as such have yet to be exploited. For example, there is something incongruous in the fact that Canada, one of the greatest per capita exporting countries in the world, has a seagoing merchant marine one-twelfth the size of small, landlocked Switzerland. What would Russia give to have fine, ice-free harbours such as Shelburne and Yarmouth? With coal reserves, the possibility of hydro power, and perhaps even offshore deposits of oil and gas, I say the day can come when Nova Scotia and areas such as Shelburne-Yarmouth-Clare can broaden their economic base and raise their prosperity level to the national plane.

In my immediately foregoing remarks, Mr. Speaker, I have given myself the liberty of stroking with a pretty broad brush and treating of a future considerably beyond the purview of this year's budget. However, I have done this deliberately in order to justify, by demonstrating potentialities for future self-reliance, the immediate things that the government should consider this year instead of a Mother Hubbard application of tight money