

of money that was put into the establishment of new industry and the amount of money expended on an annual basis through unemployment insurance is simply astronomical in its difference. In fact, the amount of money that will be claimed as savings this year by the Minister of Employment and Immigration (Mr. Cullen) will be greater than the total amount of money spent over the last ten years on regional development incentives in the Atlantic provinces. The Secretary of State for External Affairs seems to doubt that statement, so I think it would be useful to put the figures on record.

These figures are not coming from any mysterious source, at least no more mysterious than the minister's own figures supplied to the committee. However, it will be useful to have them on the record so that in days to come people will be able to look back and see what kind of action was being taken by this government and the resulting harm it will have on the Atlantic economy. No one should be unaware of the significant measures that are being taken by this government that will cause considerable damage.

I cannot think of an action that is being taken by this government that will do greater economic damage to the Atlantic provinces, indeed to parts of Quebec and to other parts of the country, than this particular measure. The minister has told us, and these are figures which have been supplied from his own records, that in Prince Edward Island, my own province, this bill will eliminate on an annual basis something like 3,500 claimants at a cost of some \$13.1 million, which is approximately 28 per cent of the current payments annually to that province. If that is not considered a large amount of money to the over-all economy of Prince Edward Island, then an examination of the situation has simply not been made.

In New Brunswick, and I see some hon. members from New Brunswick here tonight, some 11,600 claimants will be removed, costing the province \$62.7 million, or 23 per cent of the annual payments made under unemployment insurance. In Newfoundland there will be some 8,800 claimants eliminated at a cost of \$52.2 million, which is 20 per cent of the payments. In Nova Scotia there are 11,000 claimants eliminated, at a cost of \$43.8 million or 19 per cent of present payments. In the Gaspé, Quebec, there will be a reduction of some 4,000 claims costing that area \$25 million.

The four Atlantic provinces this year will receive in unemployment insurance payments something like \$805 million. There will be a loss next year of \$175 million, or 21.7 per cent of the total. That is about double what has been spent in the region under RDIA in the more than ten years since its inception, or just under the amount of the DREE budget for Atlantic Canada last year. This is the kind of figure we are dealing with in global terms. I think it has to be kept in that kind of perspective.

Many people have spoken on why the government has taken this action, and the kind of perceptions they have had of what people thought should be done with a program that has rapidly got out of hand. And, as the minister said in his opening press conference around the end of August or the beginning of September, these changes were being made in order to reduce

the incentive to draw unemployment insurance benefits and to encourage people to find employment. But, in the area of Atlantic Canada—and indeed this is a sorry statistic that all of us unhappily recognize—in the ten-year period that the Department of Regional Economic Expansion has been in existence the gap in unemployment between our region and the rest of the country—has grown substantially in Atlantic Canada to the point now where it is increasingly difficult if not impossible to find employment.

For instance in my province the major industries are seasonal in nature. They are agriculture, fisheries, and tourism. These industries can offer employment only for limited periods of time. In particular, two of the major industries, fisheries and tourism, offer employment opportunities for men and women for not much longer than a dozen weeks. If people are lucky, they may get as much as 14 weeks employment, but in many other instances that is not possible. What does that do to an economy? That means in many instances that families who have been able to get by with a period of employment during the year and then some form of insurance payments for the rest of the year, will now not be able to count on what made the difference between living below the poverty level and living just a bit above it. For the government to say that it is bringing in these measures with a view to creating other forms of work employment opportunity will simply mislead everyone.

I was quite surprised when the Minister of Regional Economic Expansion was here this afternoon and agreed with the Leader of the Opposition (Mr. Clark) in saying that obviously something would have to be done to make up that short-fall income both on a personal and general basis in the Atlantic provinces. He seemed to imply, at least from his seat, that some program and some kind of expenditure would take place under his responsibility and through his department. However, Mr. Speaker, you and I both know there is no plan, policy or program that would even begin to touch the kind of hardship and needs that are rapidly going to be created as this program is implemented.

● (2142)

I know the government has taken this action being chiefly concerned with trying to recover its own reputation. It has done so under what I consider to be a cynical approach. What is perhaps most cynical is that most of the measures being implemented under this legislation will not begin to have any significant impact until some time just after the next election, six to nine months from now.

The minister, and presumably the government, are seeking to have the best of both worlds. He is hoping to convince the Canadian public that he has acted responsibly in restraint, when we know that not to be the case. This becomes clearer day by day. The minister hopes this will not have a negative impact on thousands and thousands of people in the Atlantic area until after the election takes place. That is the height of political cynicism. For this government, that is operating at a very high level indeed.