

We also found migration to be highly influenced by economic forces. Higher wages in Newfoundland and higher unemployment in the rest of Canada tend to encourage more people to return to Newfoundland and to prevent other Newfoundlanders from leaving to get jobs elsewhere. Therefore, during recessions Newfoundland ends up with more than its share of the nation's unemployment. Therefore it makes sense to attack the national unemployment problem directly; it is a mistake to try to hide this unemployment by encouraging Newfoundlanders to go home by giving them unemployment insurance benefits that last longer, or to encourage Newfoundlanders to go fishing (thereby dividing the existing fish stock among a larger number of people) where it is necessary to supplement their incomes with special unemployment insurance benefits for fishermen.

While it make sense to attack the national unemployment problem directly, we realized that the attempt to overcome unemployment will take a long time. To the extent that we cannot solve the unemployment problem in the intermediate run, we should look for a more direct approach to the problem of income maintenance which avoids some of the problems currently associated with regionally extended benefits and fishermen's benefits in the unemployment insurance program. We make a recommendation to this effect. We also need to protect those older, less mobile people in rural Newfoundland should they lose their one local employer. We recommend some subsidies to retain jobs for these people as long as possible. When that fails, we recommend early retirement as preferable to dumping these older, immobile workers on the steps of the welfare office.