

*Economic Conditions*

Minister of Supply and Services (Mr. Goyer). CIDA is the responsibility of the President of the Privy Council (Mr. MacEachen). In another six months the Secretary of State for External Affairs will have nothing left. Perhaps he will become the minister in charge of St. Pierre and Miquelon.

This government believes it has been rescued by an issue. It found that separatism was not dead, as stated by the Prime Minister, but that it is alive and apparently doing well in Quebec. The government feels this issue will pull it out of the hurdle and that people will overlook the other things which have affected them over the last five years of Liberal mismanagement. Let us put it to the test. I say, call an election tomorrow. Let us get the show on the road and find out whether the people of Canada are that gullible.

I would like to use Newfoundland as an example of our poor economic situation, because the figures for Newfoundland are worse than the figures for anywhere else in this country. They are bad enough, God knows, elsewhere. However, in May there were 17,789 construction workers unemployed. These figures were given to us by the minister's department. There were 11,442 labourers, 111 concrete finishers, 3,925 carpenters, 604 electricians, 91 boiler-makers and 37 plasterers unemployed. The construction industry is almost dormant in Newfoundland. The provincial government there cannot borrow any more. It is doing all it can, as confirmed by the Economic Council of Canada in its study "Living Together", a study of regional disparities. In that study the Economic Council says that the one province in Canada which should not try to increase aggregate demand when necessary by borrowing more is Newfoundland.

What is our great federal government doing to help in that traumatic situation? The unemployment rate in Newfoundland is 19.2 per cent actual unemployment, 16.8 per cent adjusted. Is there a special program under way, is there some special effort to help these unemployed Newfoundlanders, or are the Newfoundlanders to be considered as some kind of different breed or outer breed to be allowed to wallow in their unemployment for the next two years while mainlanders laugh up their sleeves about it and think it is comical to see those poor old Newfies unemployed? Is that the attitude?

The premier of Newfoundland wrote to the Prime Minister on October 18, 1976, describing the situation. The premier outlined what the Newfoundland government was doing and he described the problems. The Prime Minister was asked to introduce some special programs to help Newfoundland. There has not been one special program. That is the answer to the call for help which went out from the government of Newfoundland. There has been neglect. Now we see from the minister's figures that we are supposed to tolerate this for another two years without any improvement or any attempt to bring about an improvement.

**The Acting Speaker (Mr. Turner):** Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent. Does the hon. member have unanimous consent to continue?

[Mr. Crosbie.]

**Some hon. Members:** Agreed.

**Mr. Crosbie:** Mr. Speaker, I will try to conclude briefly. I know there are many others who wish to speak. I do not want to be too parochial, so I will refer to the situation in the Atlantic region as described in an APEC report on Saturday. The economy of the Atlantic region is unable to absorb a bigger work force or substantially raise production. It was unable to do that in 1976, and we are slipping through 1977 without the prospect of rapid economic development. The report shows that in the whole Atlantic region the seasonally adjusted unemployment rate was 13.3 per cent in March of this year and 10.5 per cent a year earlier. The unadjusted figure this year is 15.2 per cent, and it was 11.1 per cent last year. The labour force has grown to 842,000 from 818,000, with the number of unemployed being 113,000 in the Atlantic region. It is pointed out that there is a surplus of office space in the region, which shows that there is not going to be much new construction.

● (1610)

Housing starts are down. That condition will not change and provincial government spending will not increase because the province cannot spend more. We are to depend, hopefully, on export markets in the U.S. Mr. Speaker, the Atlantic region is in great trouble economically. No wonder I support the motion moved by the hon. member for Temiscamingue. The economic ills of Quebec are almost as bad as those of the Atlantic provinces.

We have the right to ask the government what it will do. We do not need to be told that the Minister of Finance's budget was the answer. It was not the answer. The government would have answered our condition if it had made a real attempt to improve conditions in eastern Canada. It could have done it with tax write-offs, at least more generous tax write-offs than those suggested, with a phasing out of the federal sales tax, with a reduction of corporate taxes even to zero in the underdeveloped regions of this country like the Atlantic provinces. This would have provided some incentive for business to move to the area. The government could have introduced even a 100 per cent tax credit to answer the needs of the area. A number of measures could have been taken if the government had been truly concerned about the problem. The government feels it can use the national unity issue to stay in power, and it will not move to meet the real economic needs of Quebec and the Atlantic provinces. That is shabby, too shabby for words. We are in a Liberal economic bog. They are not prepared to put ground under our feet so that we can step out of the bog.

In conclusion, I say we need a new budget to stimulate the economy in eastern Canada. We want more assistance to overcome unemployment, more concrete measures to stimulate private investment, the removal of controls which are discouraging the private investment sector, better co-ordination to overcome regional disparities, and a change of government.

**Mr. Paproski:** Hear, hear! They don't have the guts to pull the plug.