

*Canadian Economy*

weapons in the attack on unemployment. I want to give them full credit for the jobs created and the achievements made.

So far the federal government's programs in New Brunswick have helped to keep the situation from getting worse, but they have done very little to identify the real causes of unemployment and to remedy them. One of the basic causes of chronic unemployment in New Brunswick is the transportation system. Another is the failure to focus the attention of all departments of government on the same problem. For example, a retrenchment in air passenger travel and cargo capacity was announced by our national airline last spring, without prior consultation with the Minister of Regional Economic Expansion (Mr. Lessard). In fact the concept of using air transportation as a development tool in the Atlantic provinces was never discussed by our national airline with DREE. I pressed this matter with the president of Air Canada at the meeting of the Standing Committee on Transport and Communications in June and I invite the minister to read the minutes. Bus transportation is also cut back in New Brunswick.

● (2032)

The main feature of rail-passenger equipment is its age. In rural areas surrounding our cities there is a great need for a form of public transportation moving people to and from work and to buy goods and services. I would like to see a feasibility study done to determine the viability of a rural-urban bus service to perform this function and to identify possible routes in New Brunswick.

If I had to put my finger on one thing in which the government of Canada could invest to improve employment opportunities in New Brunswick and the other Maritime provinces, I would put my finger on transportation. I would recommend to the government that transportation be regarded as a development tool in all the Atlantic provinces. I suggest that in applying this principle it look at air transportation, rail transportation, bus transportation, water transportation, and all weather highways as a comprehensive modern transportation system that should be put in place in the Atlantic provinces by the Government of Canada as an investment in the economic development of that region. Vast improvements in the quality, scope, and performance of public transportation are essential in all parts of New Brunswick.

The programs of LIP, Canada Works and Young Canada Works have their functions as labour absorbents for a short term application. They do not and are not intended to go to the root of our economic problems. I suggest, however, that the Department of Employment might play a greater role in identifying—as I have attempted to do in my remarks—the root causes of unemployment and in recommending to appropriate branches of government at all levels the necessary strategy to deal with these problems. In my view the proper vehicle for mounting a meaningful attack on the disparities that exist in the Atlantic provinces is a federal-provincial conference convened by the Prime Minister of Canada (Mr. Trudeau) and the premiers of the respective provinces. If we are to carry out this strategy and focus the attention of all

[Mr. Howie.]

departments of government on the problem, the ultimate answer will require the personal direction and dedication of the Prime Minister of Canada.

At the same time, I believe we can make some real progress in identifying areas within each department of government which can and should provide a service for other departments of government, and avoid costly duplication, the tremendous expense of hiring outside professional and other services, and consulting with experts outside departments of government.

The ability of all departments of government to focus on any one problem in our economy, like that of regional disparity, leaves much to be desired. For example, the Department of Regional Economic Expansion has expended millions of dollars in Atlantic Canada with some degree of success in building the economy of that area. But as DREE takes one step forward in establishing new industries, the lack of a cohesive and progressive transportation policy erodes its effect.

We know that at this time there is much evidence that the government proceeds like a whole series of separate empires. These empires often compete with each other. Sometimes they even conflict with each other. For example, the user pay concept for transportation is in direct opposition to the use of transportation as a developmental tool envisaged by the Canadian premiers at their meeting this year in St. Andrews, New Brunswick.

The government seems to lack an over-all strategy in approaching the problems of Atlantic Canada. It has announced financing for studies of some renewable energy forms, which is quite commendable. But what about other energy forms and what about indigenous energy sources in Atlantic Canada? There is no over-all strategy. The government cannot or will not come to grips with the total problem and, in concert with the Atlantic provinces, develop a strategy designed to solve the problems. There are no easy answers, but there should be a commitment and a dedication on the part of the federal government to finding the answers.

I believe the government should co-operate with the governments of the Atlantic provinces in giving priority to the economic supply and distribution of electrical energy in the region. The areas of co-operation I contemplate would include the development of a full Maritime power pool with strong interconnections with adjacent areas of Canada and the United States, in order that all the benefits of power pool operations may be optimized. This, in my view, would be a major step in the direction of integrating other provinces and other power pools into an eventual national power grid.

Canada should encourage the study and development of unused hydro electric sites—especially the large remote sites in northern areas of Canada—which could supply renewable energy into a Canadian electrical energy distribution system. The untapped hydro resources of 20 rivers in Labrador, the most dramatic being the Gull Island and Muskrat Falls sites, are the most attractive untapped hydro electric sites in north America.