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cannot find jobs. In the past year Prince Edward Island has seen its level of unemployment rise over 3 percentage points to 16.3 per cent. In Newfoundland the rate is 19.5 per cent. However, that does not tell the whole story. Unemployment in western Newfoundland has shot up from the unacceptable level of 20.7 per cent a year ago to 22.9 per cent last month. Northern New Brunswick has been rewarded by the Tory Party with an increase in the jobless rate from 18.2 per cent to 19.1 per cent. My own constituency in the Island of Cape Breton has seen its unemployment level in 12 short months go up from 19.1 per cent to 24.6 per cent. There have been 4,000 people added to the unemployment roll in 12 months.

● (1110)

Has this been raised only by a Member of Parliament in the Opposition for the benefit of the House? What have other individuals said? I would like to quote a statement made in 1976:

It is beyond my comprehension how any government can restrain expenditures in an area of the country which has an unemployment rate of 13.9 per cent. It is in fact positively cruel and inhuman for any government to apply the restraint policy equally across this country as though every section of it is the same. It may be a policy of restraint that is quite active for provinces like Ontario, Alberta and Saskatchewan perhaps where there are now high unemployment figures, but it is not proper to apply it blindly to Newfoundland which has an unemployment rate of almost 14 per cent.

That statement was not made by myself. It was made by the present Minister of Justice (Mr. Crosbie). But that Minister now has the audacity to sit in Cabinet in this Government and watch the unemployment rate in his own province go from 14 per cent up to in excess of 20 per cent.

We saw this type of attitude in the previous Government of 1979 and we saw this attitude prior to 1968. We know what the Canadian people in Atlantic Canada did to that Government when it came to re-election. I ask sincerely, Mr. Speaker, where is the federal representation in the Cabinet of the Government of the Prime Minister (Mr. Mulroney)?

Mr. Nunziata: There isn't any.

Mr. Dingwall: Are they asleep or are they grossly negligent?

Mr. Nunziata: Both.

Mr. Dingwall: I have to say with conviction, with sincerity, and with the facts as evidence thus far, that the case is obvious. The Government is grossly negligent, insensitive and it has abandoned the people of Atlantic Canada.

I would like to talk about transfer payments for a moment, if I may. The Minister of Finance (Mr. Wilson) made a decision to cut \$2 billion from transfer payments. He used weasel words at the First Ministers' conference, but it was not good enough. The Premier of New Brunswick zeroed in on the effects these cuts in transfer payments would have on the Atlantic region, and they will affect hospital care and post-secondary education. For Members of Parliament to suggest otherwise, is wrong. It is wrong, in fact, because it will be devastating to those of us who live in Atlantic Canada. The Finance Minister of New Brunswick denounced the unilateral

decision of the Minister of Finance by saying: "I think we will come to a time when we realize that the honeymoon is over. Federal-provincial relations have to be on the basis of fairness and equity". Yet the Minister of Finance, aided and abetted by the Prime Minister and his Cabinet, unilaterally expedited cut-backs in transfer payments.

The Premier of Ontario at the First Ministers' conference said: "These cuts which were announced without consultation, speeded up by a year without discussion, will weaken our country in the very areas where we must marshal our greatest strengths". When the Minister of Finance sat in opposition, he condemned the six and five program as predatory federalism. All of a sudden we find it is not a short-term measure which we implemented some years ago, it is a fact. It is a fact with which the provinces are going to have to live until the end of the decade.

Then there is the commitment made by the Prime Minister on July 26 of 1984 when he said, and I quote:

A PC Government is committed to respect the federal obligation to fund provincial health care through Established Programs Financing, and make additional funds available to the provinces on a cost shared basis for the establishment or enrichment of programs being most likely to improve the general level of health and limit long-term costs. This determination to be made following a national conference of Health Ministers and health care professionals.

That is what our Prime Minister said in July of 1984. He was committed then but he is not committed now. When I say that this Government has abandoned the people of Atlantic Canada, the evidence is clear and unequivocal.

The equalization payments do not touch each and every province in the same way. We in Atlantic Canada, because of our history, our geography and our small population base, have had to depend upon the federal Government to provide the necessary moneys for the necessity of life. There is nothing wrong with that. There is nothing immoral about providing Canadians in that particular region with the opportunity to have the basic services of life, just as the federal Government has provided, through the John A. Macdonald policy, tariffs and regulations for central Canada. Government after government has provided the Auto Pact for central Canada. The national Government has provided billions upon billions of dollars for the western farmers. All of this is good, Mr. Speaker, and ought not to be denounced, but the Atlantic provinces will feel the cut-backs in transfer payments the most. As parliamentarians we mistakenly think that only provincial Governments will be affected. In fact, we are cutting back on services to people who live in Halifax and to people who reside in Moncton, Shediac, Corner Brook, and Summerside, P.E.I., because their municipalities will have to cut back.

● (1120)

Today on the front page of *The Chronicle Herald* it says: "Municipalities hope to head off 'severe squeeze' ". The President of the Federation of Canadian Municipalities said that he fears municipalities will be the ultimate financial losers as Ottawa goes ahead with plans to cut the level of transfer payments to the provinces beginning early next year.