

*Borrowing Authority*

self-sufficient. Some of the most technically advanced icebreakers and drilling units in the world are working in the Beaufort Sea operated by Canadians and Canadian companies. The Canadian north is obviously contributing to technical and resource development. When will the Government address a foreign policy which includes the Arctic's contribution to the world and not what our allies can do for Canadians in the North.

Northerners are insulted by the Government's ignorance and its stance that since it cannot afford nuclear submarines our allies will have to maintain Canada's sovereignty in the Arctic. Northerners feel that establishing a political, social and economic presence achieved by northern self-alliance and full northern participation in making economic and political decisions is as important as this military presence. A fraction of the money to be spent on assuring sovereignty through military means would help build the transportation network needed for our economic well-being. As well as sovereignty, Canada would gain a strong and viable northern territory and access to the land's rich resources. This Canadian investment in the future, added to advances in our status as a partner in Canada, would give northerners a chance to take part in and benefit fully from our country's economic and political life.

I want to elaborate on how this Budget is going to affect northerners residing in the Western Arctic. The federal Budget has failed to come close to solving our debt problems but Canadians, especially northerners, will be paying the price for the slapshot attempt of the Minister of Finance.

• (1630)

The North is rich in natural resources but the economy remains poorly integrated. Diversification has been confined to the development of service businesses which are primarily dependent on government. Unemployment rates reach 50 per cent or more in many isolated and predominantly native western Arctic communities.

I want to indicate to the House that when the Government presented the new Labour Force Development Strategy, that documentation did not even provide the unemployment statistics for the Northwest Territories. It was left completely blank. I requested that the Department rectify this error and at least provide information on the unemployed. However, 20 days later, and

maybe 30 by now, I still have not received anything from that ministry.

It is exactly this type of typical Tory blunder which makes me extremely concerned about what the Government's agenda is for Canada's North. Does it even care that it has completely overlooked the fact that in communities which are part of over one-third of Canada's total area, that there are unemployment rates which are as high as 50 per cent, 60 per cent, 70 per cent, 80 per cent and 90 per cent. How will the new unemployment insurance plan help these people?

Since the Government obviously overlooked the part of Canada north of the 60th parallel when the Budget was being prepared, let me tell the Members opposite what the North is about and how this Budget is going to have crippling effects on people who bear the burden of this country's highest cost of living. I am sure that the Member for Nunatsiak (Mr. Anawak) will be agreeable if I talk about the whole of the Northwest Territories for a moment.

The Northwest Territories covers an area of 3.3 million square kilometres. It constitutes roughly one-third of Canada's land mass. The territory is located above the 60th parallel, a location which poses some severe economic constraints, including remoteness from prime North American markets, long winters and higher utility, transportation, communication and other costs. Added to these are small, scattered populations, as well as low education levels for a large part of the population.

Over-all, the economy is poorly integrated. Linkages among industries are weak. Diversification has been largely limited to the development of service businesses which depend on government, primarily, as well as large industry. Apart from minerals and hydrocarbons, very little is exported from the NWT. Mineral concentrates and ores are shipped out for further processing. Manufacturing is confined, for the most part, to cottage industries producing artistic goods for small local markets and limited export.

The Government's Budget is going to be disproportionately tougher on northerners than most residents in the provinces. No consideration was given to northern Canadians—which is of no surprise from this Government—who already pay the highest cost for all goods and services in the whole country.