

The Government of Canada had to step in and use a program called MILAP which was the successor to the Industrial Labour Adjustments Program. It was specifically designed to help workers, particularly in one-industry towns that had no alternative, to find either retraining or relocation. That is what must happen because even though industries may want to look out for the welfare of their employees, there are industries that cannot do it. These are Canadians who deserve, need and demand help. The Government of Canada must be responsible to help them but relocation assistance has been cut by \$2.8 million when there are people with no prospects for alternative employment who need that help. I cannot accept that, Mr. Speaker. Separation payments, unemployment insurance and employment pension income is now going to be considered as income before people can start to draw those benefits anyway.

Returning to the housing industry, in Atlantic Canada and rural areas all across the country RRAP was an important program for people who wanted to renovate, rebuild or reconstruct their houses. A lot of senior citizens and people who could not build new houses took advantage of RRAP. A lot of small businesses that could not find alternatives and needed the work were surviving, to a large degree, on the RRAP program. That has now been cut by \$29.4 million. I just hope that the private sector takes that up and the housing industry responds. I just hope that there are job alternatives available for those people so that they will be able to afford it without the help of RRAP. However, I do not see that happening, at least not very quickly.

I would not like to talk about ferry services. I saw the Hon. Member for Malpeque (Mr. Gass) here earlier. I know he had to leave but I was hoping he would stay around. If he were here I think he would have to agree with me that to cut ferry services to an island is to cut off a lifeline. The House must understand that. If I did not explain that in the House I would not be doing my job as a representative in this Chamber. There is no other way, except to fly, to get to Prince Edward Island. There are many people who cannot afford to fly, or for some other reason cannot fly in. You cannot fly a tractor into Prince Edward Island or Newfoundland. Ever since we came into confederation in 1949 heavy equipment has been transported by ferry. That ferry service is our trans-Canada highway. It is the only highway we have to that island. The Government, the House and the people who make policy here must understand the effect that policy is going to have on people who live on islands.

I can accept helping the private sector and putting business front and centre. I can accept that in the long run that is the only way we are going to create permanent, lasting jobs in the country. I can accept all that. However, I cannot accept indiscriminate cutting with no thought of the effect it will have, particularly on disadvantaged areas of this country. There are cut-backs of \$21.5 million in CN Marine. Airport and marine services are to be reduced and fees are to be increased.

### *Borrowing Authority*

• (1210)

Last week the Canadian Transportation Commission made what I believe to be one of its best reports. It concerned the North. In fact, it was a Conservative Prime Minister, John Diefenbaker, who, in the 1960s, had a vision of the North. If he were in the Chamber today he would be supporting that Canadian Transportation Commission report. He would agree that it would be possible to attract and keep people in the North if the fuel tax and airport fees in the North were eliminated. This would develop the northern area of this country. But if an undue burden is placed on those who already have one of the heaviest burdens to bear in this country, it will decimate and depopulate the North. It will not only be Schefferville that will close down; many other towns in the North besides mining towns will close down. The point I am trying to get across is that the cuts we have seen in those areas of the country will be devastating. I do not see what the alternative will be.

In order to be a good representative of the people I represent, I should point out those measures that I find beneficial in the economic statement. In fact, some of its measures were good. For example, fishermen, loggers, mine operators and farmers may be eligible for a fuel sales tax rebate of three cents per litre beginning in December. That is a good step and I congratulate the Government for it.

Widows and widowers between the ages of 60 and 64 will become eligible for the spouses' allowance program in the fall of 1985. That is a good move and the Government should be congratulated. The fact that veterans' pensions will be improved is a good step and I also congratulate the Government for that.

Finally, tax relief may be offered for termination benefits for workers in shutdowns of isolated one-industry towns. I bet it was the Prime Minister who put that in. The Government should be congratulated for that as well. Those are four measures that will help my people.

However, by and large, the message I must convey to the House is that these cuts will be devastating. I do not see what the alternatives will be. The suggestion is that private enterprise will in some way take up the slack, although we do not know when.

What is the record of private enterprise? In the fishery, for example, both major fishing companies in the Atlantic area were on their knees and virtually bankrupt. Our Government had to step in. The private sector was asked if it had any money to invest in these companies. No one in the private sector came forward to invest in the companies. Therefore, the Government of Canada invested money.

In the case of Fishery Products International, our government, along with the Government of Newfoundland, invested approximately \$150 million. Much more must be invested if that company is to be financially stable. That industry is struggling and the record of private enterprise in that particular industry is anything but excellent.