

*Regional Development*

One of the things that stands out most in my mind is meeting families in Cape Breton Island where the children of pensioners could not rely on themselves and the work that they could get for their economic livelihood, but had to rely on the pensions received by their parents who were over 65 in order to be able to survive. One found household after household in which there were three generations living under one roof and were not relying on what could be earned through employment because the jobs just were not there or were being cut or eliminated, but instead were relying on pensions given to their parents and their grandparents in order to survive economically.

I can remember having the opportunity to visit the interior of British Columbia, part of the country in which people had put tremendous work into building up a future for themselves based around the production of grapes and the production of wine. In the course of the trade deal negotiated by the Government they had simply been wiped out. Nothing was put in the place of this activity to give people a chance to survive and to thrive.

I can also remember parts of northern Ontario which were hit very hard by the ineptitude of the Government in trying to negotiate some settlement with respect to the softwood lumber attacks from the United States, which ultimately led to a 15 per cent export tax that made it impossible for many towns and communities in northern Ontario to be able to survive.

These are the parts of the country that we in the House must consider when we think about regional development. These are the parts of our country that the Government has not looked at with humanity, seriousness, and concern for an economic future that should exist in a country as well endowed with resources and with human skills. Yet these parts of our country exist. The regional underdevelopment of many parts of Canada continues. The inequalities persist. Those inequalities create official unemployment rates—unofficial unemployment rates are much higher—of more than 16 per cent. For instance, I was told by people in Newfoundland that unofficial unemployment rates were upwards of 40 per cent to 50 per cent of the population unemployed.

What has happened in the face of this? In the last House of Commons, a House of Commons committee of which I was a part brought forward quite a good report on regional industrial expansion. It was a report which specifically looked at the industrial and regional development program of the Department of Regional Industrial Expansion. It concluded with a number of important recommendations. One recommendation which was completely unanimous among all members of that committee was that the federal Government should continue to maintain a strong role in Canada's regional development efforts, while recognizing the contributions that provincial and municipal Governments can and should make in this effort.

[*Translation*]

Another recommendation, Mr. Speaker, is that economically disadvantaged regions should receive assistance to diversify and strengthen their local economy. This economic development assistance should be given to them according to local economic needs.

[*English*]

Another recommendation was that communities and local development groups should be encouraged by the Government of Canada to accept greater responsibility in the planning and implementation of measures designed to promote the development of their local economy.

• (1710)

Finally, the regional development eligibility criteria for prospective business investments should be broadened to include all forms of business activities in all sectors of the Canadian economy.

What happened, Mr. Speaker, when this Government was re-elected, despite the strong set of recommendations that had come forward from a committee very much dominated by Conservative Members in the past House of Commons? What happened was a Budget which came into this House of Commons and which despite the efforts of the Minister of Finance (Mr. Wilson) to suggest otherwise has in practice decimated regional development programs in Canada.

If we take, for instance, the regional development funding from 1988-89 through to the period 1993-94 it is clear first that the peak of that development spending will in fact come this year, and it will come because there have been earlier Economic and Regional Development