

jobs similar to those at veterans affairs is quite large in relation to the anticipated demands for new staff at the headquarters. We must not forget that there is a significant number of federal public servants already employed in the Atlantic region in classifications similar to those supporting the veterans affairs headquarters operation. It is likely that many of these people will be interested in transferring to veterans affairs because of the senior positions which may become available within the portfolio, or perhaps just a desire for a change in employment.

There is also a substantial number of new entrants to the labour force on the island being generated by the various educational institutions, and the salaries and the promotional opportunities offered by veterans affairs as part of the federal civil service will attract many of these graduates.

It has been found from the experience of other relocating federal departments that 40 per cent to 50 per cent of the personnel recruited after relocation were working somewhere else at the time they were hired. This has been especially true among the senior classifications where the draw will undoubtedly be on the other government departments in the region.

Despite this inducement on the market of the already employed, studies also indicate there is no lack of qualified personnel available to take up any of the vacant or vacated positions in veterans affairs headquarters or elsewhere in similar positions on the island. To give one example, in the secretarial category, the annual outflow of trained persons far exceeds the anticipated veterans affairs headquarters requirements.

Once the operating phase is under way, there will be the indirect impact of the veterans affairs employee expenditures which will create employment and generate new income. The veterans affairs annual wage bill which will be paid on the island is estimated at approximately \$14 million. Statistics show that around 71 per cent of wages is spent on consumer goods and services. Therefore it is projected that out of the veterans affairs wage bill, the sum of about \$10 million will be spent on various commodities every year, and presumably much of this will be spent on the island. The impact of this spending, it is estimated, will be the creation of approximately 250 new jobs over and above those new jobs within veterans affairs headquarters. In addition it is expected that the total indirect income generated will be in the area of \$2.8 million a year.

These figures can be broken down to indicate roughly where and in what proportion it will be spent. Food will take about 25 per cent of the total, creating approximately 90 jobs and generating about \$900,000. Housing will take 31 per cent of the total, creating 34 jobs and generating \$575,000 income. Clothing will take 10 per cent, creating 31 jobs and generating \$270,000 income. Transportation will take approximately 14 per cent, creating about 40 jobs and generating \$350,000 income. Personal and health expenditures will take about 4.6 per cent of the total, creating around 20 jobs and generating about \$270,000 income. Recreation and education expenditures will take 6 per cent of the total, creating 22 jobs and

generating \$260,000 income; and tobacco and alcohol expenditures will take approximately 5.5 per cent of the total, creating about 14 jobs and approximately \$132,000 income.

Additional local employment and income are expected to be generated by the ongoing expenditures of the veterans affairs headquarters. It is anticipated that approximately 77 new jobs will be created and that additional income of about \$675,000 annually will be created. This is as a result of an expenditure by the head office of about \$1.8 million.

In the final analysis, therefore, it is expected that the relocation of veterans affairs headquarters will result in around 1,000 new jobs being added to the island work force, including veterans affairs personnel relocating with their jobs from Ottawa. The dollar figure for additional income created by the move has been estimated by studies as about \$15 million per year.

I hope I have covered the subject of the economic impact of the veterans affairs move to Charlottetown in enough detail to give members an understanding of the figures the Department of Veterans Affairs is operating from and using to anticipate any eventuality. In the long run, and under any analysis, I think this House will agree that these facts and figures represent a positive impact on the island.

While I have dealt with the economic implications to Prince Edward Island, I wish to assure this House and our veterans that the need for sensitive service and quality service will not be lost, but rather that the service will be enhanced. Further, this move is another step to benefit the many regions of the country which should be assisted economically to share adequately in the growth of this country we call Canada.

Miss Campbell: On a point of order, Mr. Speaker. I seek the unanimous consent of the House to revert to presenting reports by standing and special committees.

The Acting Speaker (Mr. Blaker): The hon. member seeks unanimous consent of the House to revert to that stage of the proceedings for the purpose of submitting a committee report. Is that agreed?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

[English]

FISHERIES AND FORESTRY

First report of Standing Committee on Fisheries and Forestry—Miss Campbell.

[Editor's Note: For text of above report see today's Votes and Proceedings.]