

Labour Adjustment Benefits

uranium. Rather, it is sold on long term contracts. The area of existing and future contract prices is another area which should be thoroughly reviewed by a parliamentary committee to see whether or not the situation has been accurately stated by Eldorado.

Eldorado is also presently involved in the development of the Key Lake Mine in Saskatchewan, scheduled to go into production in 1983. There is no question that the market price is soft for uranium at the present time. When viewing Eldorado's over-all mining production plans, one cannot help but be intrigued by Eldorado's manipulation of its assets to fit its contracts. Beaverlodge will operate until June 1982. Supplies for the contracts can be filled by the stockpile after Beaverlodge closes its doors. Then contracts are freed up for the Key Lake operation in 1983. It is terribly important for Key Lake to have contracts waiting for the mine to open its door, to justify the existence of the particular operation.

It is interesting to note the prediction by analysis in the government's Department of Energy, Mines and Resources which foresaw the softening market in February 1980. It indicated:

—prospects for the short term future dimmed in the face of a growing imbalance between projected uranium requirements and supply capabilities. Implications of this growing imbalance were that development decisions for some of the recent new discoveries may need to be deferred, that there will probably be continuing decline in prices, at least in real terms, and that there will likely be some loss in the exploration momentum that has built up during the last five years.

Rather than heeding these warnings and taking action to bolster the market, the federal Crown corporation, with the approbation and approval of the Minister of Energy, Mines and Resources, has done absolutely nothing. Therefore, when the market softens, the more marginal operations are destined to die, no matter what the economic and social costs may be.

It is fascinating to consider that we have this Crown corporation, the so-called window on the industry, suddenly becoming the window on how to create instant and devastating unemployment in the country. The government is bringing in legislation to soften the impact of economic shutdown on employees in the private sector. At the same time it is not willing to offer its own employees the courtesy of a more detailed explanation of the necessity of the shutdown in the first place.

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Had there been sufficient advance warning of major economic loss to those employees and to other local inhabitants dependent on the existence of the local operation, perhaps many of us would not have felt as strongly about the actions taken by Eldorado. Had there been some indication by the government of a firm offer of financial compensation to innocent people who lost their employment, their hopes, their prospects for advancement and their investment in the community, perhaps many of us would have felt a little less strongly about its callous actions.

This is not one of the dreaded multinational companies that is acting in a cruel and callous manner; this is our friendly federal Crown corporation. It is one of the corporations that is

accountable to the people of Canada. But what accountability is there in this situation? The actions of Eldorado demonstrate that it is the kind of corporation with which we have not the best of all worlds but the worst of all worlds.

If you were the president of a private corporation and you made the kind of capital investment in the community and in the mine that was made by this Crown corporation, Mr. Speaker, I would ask you to consider how you might be received at the annual shareholders' meeting. Notwithstanding the fact that you are such an outstanding person, I would suggest that your job would be in serious jeopardy if that were the case. But that is the way things are today, and we have to ask what is going on with Eldorado. What kind of decisions has this Crown corporation made that will result in the shutdown of a town of 3,000 people and which will negatively affect the supply centre of Saskatoon which sends materials, personnel and professional people into that community? What kind of corporation would first recommend the establishment of a uranium refinery in Port Hope, Ontario, and then, after the re-election of the Liberal government in 1980, waste hundreds of millions of dollars of Canadian taxpayers' money by moving that facility to northern Ontario? If you were on the board of directors of that corporation, Mr. Speaker, how do you think your shareholders would receive you?

I simply say that these corporations have no accountability to the people of Canada. We might as well forget that notion. This incident is proof positive of the kind of thing that can happen. It is evidence of a lack of sensitivity about the effect that this expenditure of millions of dollars of taxpayers' money will have on an important community in Saskatchewan. As I understand it, the only accountability is to the shareholder of the company—the one and only shareholder, the Minister of Energy, Mines and Resources. He must accept full responsibility for the actions of the government. He must accept full responsibility on behalf of the Liberal Government of Canada for this heartless shutdown of a town in one of the important provinces of the country.

Mr. McDermid: It is another slap in the face for the west.

Mr. Hnatyshyn: My colleague says that it is another slap in the face for the west. As I told the minister in the House, I would bet a lot of money that if this mine were located in the minister's riding of Outremont, it would not be shut down; the plant would go on and on and on, regardless of the cost. That is the way the minister thinks and that is the way the government thinks. It is the kind of philosophy that leads to legislation such as we are considering today. It is evidence of the shortsightedness of this government with respect to any strategy. It is an example of the pork-barrel approach with respect to all its decisions on Crown corporations. The Minister of State for Mines (Mrs. Erola) knows what I am talking about. She has been getting the education of her life these last two years that she has been in government. I can imagine that she does not get a moment's sleep at night. Instead, she must be tossing in her bed, thinking about what is going on and what she thought would be involved in government—