

Oral Questions

The minister himself has said in this House that the firm's primary role was to monitor the levels and cost of coal production. I ask the minister responsible if he will confirm whether or not he has exercised his right under the consummated contract in order to inspect the Westray coal mine for safety reasons, where are those reports, and will he explain to the House the contents of those reports?

• (1420)

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member persists in misunderstanding what provincial jurisdiction is and what federal jurisdiction is. He persists of course because he wants to suddenly invent a whole mining regulatory responsibility for the federal government. It was provincial.

What we had to do, and I think it very important that we did this, was on a monthly basis when there were advances of the loan and the guarantee followed with it, was to make sure that provincial regulations, all of them, were being complied with. This is what the mining engineers did.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the minister had in his possession an independent technical report telling them there was a high risk of an explosion.

The minister also had a binding legal document allowing the minister to inspect the mines. Knowing of the high risk of an explosion, why did the minister not exercise his right under that consummated contract? Why was the federal minister responsible so grossly negligent in exercising his responsibility?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): You know, Mr. Speaker, the hon. member raising his voice does not make his point any differently than he did two weeks ago. There is nothing new in his question. It is the same question; he will get the same answer.

What he is asking is essentially did the federal government do its own independent inspection of the mine. The answer is no. That is the province's responsibility.

What we did, and we did very carefully, was to make sure that compliance certificates were issued by the mining engineering consultants, and they were issued. In fact, I think that was responsible for the federal govern-

ment to do it. I have tabled with the documents today what those certificates contain.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Minister of State for Small Business.

This loan insurance agreement between the Government of Canada, the Bank of Nova Scotia and Curragh Resources commits the federal government to providing up to \$85 million to the banks in the event of the failure of the Westray project.

Section 7, subsection (i) of this agreement authorizes the Minister of Industry, Science and Technology to carry out inspections of this project to ensure that the project is being carried out in accordance with prudent business management and good mining practices.

My question to the minister is this: In light of his previous answers, is he satisfied that good mining practices, including adequate provisions for safety, were carried out by Curragh Resources? If so, does he accept on behalf of his government its responsibility to provide up to \$85 million to the banks in the event that this mine is not reopened?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, today it is possible because we have tabled the documents to answer my hon. friend's question in some detail.

First of all let me quote from the documents. This is the loan agreement document: "Prior to each loan advance Curragh must certify"—this is the document that was tabled this morning—"that all government approvals required to be obtained under the Curragh agreement have been duly obtained and are in full force and effect".

This is further supported by an independent engineer's certificate which includes certification of government approvals and compliance with laws. I can read all of those if the hon. member would like, and I will in answering a supplementary if he likes.

What we put in place through this contract was a situation where there would be compliance with all provincial regulations and this we did and certified monthly.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my supplementary is for the same minister.