

Thirdly, Mr. Speaker, mining, rather than detracting from the manufacturing and service sectors, provides some very definite benefits. Canada is a world leader in the production of mining equipment and machinery. We have an enviable international reputation for the expertise of our professionals in the fields of mining and exploration.

There is a research paper, with which members may be familiar, produced by the Library of Parliament, on the subject of mining in Canada. This paper speaks of the changing image of our mining companies from that of hardy pioneers to one of profit-hungry plunderers of our irreplaceable natural resources. The paper makes it clear, as I want to do, that both these images are, of course, extreme. The mining industry, like any other business enterprise seeks to earn a reasonable return and it wants to operate under a set of rational rules which will not be subject to change at a whim. Our tax structure ought to promote the healthy, long-term growth of the mineral sector, while at the same time providing fair returns to the provincial and federal governments.

Any discussion about mining, Mr. Speaker, is bound to centre on such topics as investment, exploration, development, taxation, international markets and prices. But as well there is a very human side to be considered. Mining means jobs, and mining development involves the building or the expansion of communities. When an ore body becomes depleted, or when a mine cuts back because markets are soft and prices are too low, then we witness a community in crisis.

Atikokan, Ontario, which is in my constituency, is today facing the grim reality of a rapidly depleting ore body. Atikokan has a highly developed townsite, an existing pellet plant and other infrastructure necessary for a mining operation. What it needs now is another source of ore. It so happens that there is nearby, at Bending Lake, an iron ore deposit which is close enough to Atikokan that the townsite could continue to be used and the concentrates could be transported via slurry pipeline to the pellet plant in the town. Unfortunately, because of the over-supply of iron ore pellets in the Great Lakes region, it has been announced that at this time it is not possible to proceed with the development of the Bending Lake project.

Such a notice in the business section of the *Globe and Mail* probably gets no more than a passing glance from most readers, but in Atikokan the repercussions of this decision are deeply felt. The Bending Lake project would have provided almost full employment for the 600 employees now working for Steep Rock in Atikokan and who will, within the next year or so, be laid off.

The Royal Commission on Corporate Concentration did a study or a background report which was entitled "The Social Characteristics of One-Industry Towns in Canada." Many mining communities fit into this category. In summary, the report referred to the precariousness of such communities, and how uncertainty about the future encourages residents to perceive that they share a common fate. The report goes on to mention feelings of dependency, powerlessness, resignation, and fatalism which prevail. I refer to this social phenomenon, sir, because it is so easy to consider the mining industry only in

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statistical terms, and to fail to appreciate that there is a human dimension as well. Government programs and policies must more and more address themselves to this reality.

The royal commission background report to which I have referred uses a 1971 study by Rex Lucas entitled "Minetown, Milltown, Railtown: Life in Canadian Communities of Single Industry." Lucas has identified four stages in the development of single-industry communities, and those of us who represent resource regions know these stages all too well.

The first stage is that of construction, where the community attracts a highly mobile population willing to make many short-term sacrifices in exchange for some quick money.

With the construction stage under way, the second stage of recruitment begins. Here, the company seeks out professionals and labourers as company employees. For these people, resettlement from somewhere else is often difficult. The townsite itself, or the expansion of an existing one, is under construction. The emphasis of those who come is upon occupational opportunities. Population turnover nevertheless remains very high. Many young couples, for example, leave shortly after arriving, and they leave because there are few job opportunities in such circumstances for women, and there is a lack of physical amenities in the town. There is also an absence of recreational and entertainment facilities.

It is at this stage that governments could be of greatest assistance with various forms of financial support for infrastructure development. In his budget the Minister of Finance has proposed that for new mines the costs of associated townsites and social assets should earn depletion. This is a step forward and should ease some of the problems associated with the development of new mines. As housing and community facilities improve, the rate of population turnover slows and there is a reduction in various types of social problems.

Stage three is that of transition, during which control in the town passes from company or provincial administration to the citizens themselves. During this stage we see the genesis of a stable community, a substantial reduction in population turnover, and an upturn in and positive emphasis upon more community participation.

After a number of years the community may reach the stage of maturity. At this stage there is very little mobility in the adult work force. Retired workers remain in the community. Some of the young people become employed in the local industry. Workers build up seniority and benefits. Money is invested in homes. Nevertheless, people in these communities remain in a state of dependency, because they are aware that the industry could shut down due to factors completely beyond anyone's control. So feelings of insecurity and pessimism are common. As one researcher put it, "Only with a diversified economic base can a community achieve full maturity."

In mining, the productivity of labour and capital has been declining since 1960. The Science Council of Canada suggests that the origin of this problem lies in labour shortages and turnover, in the low level of technological innovation because of low return on investment, and in the low yield of ores that