

Supply—Regional Development

Mr. Marchand (Langelier): Devco is authorized by the law to promote industrial development on Cape Breton Island. The only restriction is that the development be industrial. Devco is not a substitute, of course, for the department. The department has its own duties. What Devco is going to do is specially for the benefit of the coal miners and affects all communities on Cape Breton Island.

I do not know whether the hon. member's question relates to the possibility of there being a FRED plan for this region. If so, I think it is a little too soon to answer that question. First of all, we have to set up the new department and define its powers. I cannot answer that question at this stage.

Mr. MacDonald (Egmont): I think we know what Devco is doing now. The minister speaks for Devco though it does not actually come within his department. Nevertheless, what Devco is doing is quite different from various other programs of the government, and I am wondering what the future position of Devco is going to be as a result of the restructuring that is obviously going to take place.

Mr. Marchand (Langelier): Devco's objectives are laid down by law, and it will continue to be a crown corporation trying to fulfil the same ends.

Mr. Skoberg: Mr. Chairman, the minister may have answered this question previously, but can he tell me whether the effective date of the implementation of the pre-retirement plan has yet been decided?

Mr. Marchand (Langelier): I did not give any date. Even though the plan that has been outlined may not be part of the negotiations being conducted with the union, Devco has discussed the matter with the union. Probably as soon as there is some kind of understanding the plan will be implemented.

● (5:40 p.m.)

Mr. Skoberg: When the minister speaks of a union no doubt he is referring to the United Mine Workers Union. Other unions mentioned today will also be involved. I remind the minister that on page 164 of the Donald report there is a suggestion that an early retirement agreement will have to be negotiated by management and labour. Up to this time there has been consultation with labour, but no negotiation. I am concerned about some of the railway unions involved, particularly the Brotherhood of Railroad Trainmen

and the Brotherhood of Locomotive Firemen and Enginemen. I ask the minister to make sure that no retirement plan is implemented until all the unions have had an opportunity to be heard.

Mr. Marchand (Langelier): Of course, it all depends on what we mean by negotiation. There have been meetings and discussions with all unions. As you know, it is not a contributory plan. Devco pays the full bill, and that is another reason to hold negotiations. As I said, there have been discussions with all unions, including the railroad unions. I know that on this particular point there have been difficulties, as I mentioned a few minutes ago. I do not know if I shall have to meet personally the representatives of the unions but I know the Devco people are going to, and I am ready to meet them too in order to iron out this situation.

Mr. Skoberg: The minister said, when talking about the pension, that the company pays the whole shot. But is this not a compulsory retirement plan which the company makes available to employees who have worked for Devco for some time?

Mr. Marchand (Langelier): Of course, once it is adopted it is compulsory. It is compulsory for those who were 60 years of age and over. Now it is only compulsory for those who are between 55 and 60 years of age. But the whole plan will be part of the regulations of the company.

Mr. Skoberg: I am sorry if I did not make myself clear. Was the pension available to the employees of Devco prior to this time a compulsory or voluntary plan?

Mr. Marchand (Langelier): Mr. Chairman, I am afraid I am not aware of this. I will seek the information and pass it on to the hon. member.

Mr. Skoberg: Mr. Chairman, I hope that all unions and all representatives of the employees involved in this Devco operation will be given an opportunity to be heard before the implementation of any pre-retirement plan. That is very important, and the Donald report spoke about this matter. Unless the company can bring about good management-labour relationships a very serious situation could result, especially if some of the bargaining units were left out of the negotiations.