

Oral Questions

ment should be considering restoring that service to a year-round operation. Why did the minister take one of those ferries off that very important service?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the main reason, and the obvious one, is the optimization of the use of federal money for transportation in Newfoundland, which amounts to almost \$200 million at this time. The *Marine Cruiser* had more or less come to the end of its useful days. It would have had to be replaced with one that would have cost \$50 million or more. The degree of subsidization for this service is very high, 80 per cent. For example, it is estimated that a trip made on that route by a family of two adults, two children in one car, costs the Government of Canada more than \$1,000. We also considered the fact that there was capacity available at Port aux Basques going to North Sydney. Looking at all these factors, we made the decision we did.

I want to underline the fact that the \$4.5 million which will be saved will be kept in the Newfoundland envelope and used in the best way in the future. This was all to be part of a package to be announced jointly by the federal government and the provincial government. However, as the hon. member knows, at the last moment the government of Newfoundland decided not to be associated with the less interesting aspects of this package deal. In the coming days we will make more pleasant announcements.

Madam Speaker: That's quite an answer.

FUTURE OF FERRY SERVICES

Hon. James A. McGrath (St. John's East): Madam Speaker, the minister in his reply is invoking the Otto Lang user-pay concept. That is disturbing. I want to ask this question. If the minister is using the Otto Lang user-pay concept to cancel this very important service at a time when it should be extended year-round, will he advise what other Atlantic provinces marine ferry services will be cut back now that he has resurrected the Otto Lang user-pay concept?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I do not know to what extent I look like the former minister of transport. I am trying to make the best possible use of the money that is now available for Newfoundland in terms of existing assistance, and in terms of new money that the federal government is willing to put on the table. That is what I am trying to do. As my hon. friend knows, I have been in discussion with Newfoundland on that subject for the best part of nine months. We developed a package deal which is advantageous to Newfoundland. That package will be announced in the coming days. The government of Newfoundland, and I regret it very much because it is a regressive move, refused to be associated with some of the announcements, but is very keen to be associated with those that are coming which, I repeat, will be more interesting than the one referred to by the hon. member.

[Translation]

REGIONAL ECONOMIC EXPANSION

NEW ZINC SMELTER PLANT IN RESTIGOUCHE

Mr. Maurice Harquail (Restigouche): Madam Speaker, my question is directed to the Minister of Regional Economic Expansion. Further to the statement made by the Minister of Finance last week concerning economic expansion on the north shore of New Brunswick, to announce confirmation by Noranda that a new factory would be built, could the minister inform the House how this will benefit the people of the area, considering the capital investment of over \$300 million and the 50 per cent tax credit contained in the 1980 budget?

[English]

Can he inform the House of the direct benefits to the citizens as a result of the tax credit contained in the budget of 1980, and the other benefits—

Madam Speaker: Order. I think the question has been translated.

[Translation]

Hon. Pierre De Bané (Minister of Regional Economic Expansion): Madam Speaker, first I should like to congratulate the hon. member on his tireless efforts in connection with this project, which has been qualified by the Premier of New Brunswick himself, and I quote:

[English]

“—one of the best pieces of news for New Brunswick in many years.”

[Translation]

And I agree! During the construction phase, this project which is worth over \$360 million, will provide work for 1,500 person-years. Subsequently, there will be permanent jobs for over 400 people. After years of hard work, this project has come through today because of the Minister of Finance's decision to grant a 50 per cent tax credit to a region that is among the most disadvantaged in Canada. I can say that in the past year, thanks to that decision we have been able to announce projects worth about \$1 billion altogether in the northeastern part of New Brunswick.

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[English]

CANADIAN SOVEREIGNTY

ACTIONS OF CZECHOSLOVAK GOVERNMENT AFFECTING
CANADIAN CITIZENS

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, my question is for the Secretary of State for External Affairs. As the minister knows, the Czechoslovak Association of Canada has made repeated submissions since 1977 to the Minister of External Affairs, and even to the Prime Minister, asking for an end to the actions by which the Czechoslovak