

Emergency Gold Mining Assistance Act

Additional grants would not be a burden to the Canadian economy unduly because they would come back for the most part, if not completely, to the federal treasury in the form of income taxes, or direct or indirect taxes. Thus by helping industries of prime importance to survive, the prosperity of many areas would be ensured, which would allow to maintain the production of gold.

It is therefore very important that immediate action be taken, if we want not only our cities to survive, but to prosper and expand.

If we want northwestern Quebec to survive, a promising area with an almost unlimited potential but to which governments have not given enough importance, it is necessary to act immediately. Indeed, the population of that area, in 1959, was 51,800, and in 1969, it was 56,000. The gold mines employed 2,360 people in 1959 but only 1,930 in 1969. Their dependants, in 1959, totalled 5,900 and, in 1969, 5,000.

Mr. Speaker, those are the remarks which I wanted to make in connection with gold mines. On behalf of those citizens of northwestern Quebec, and of those of northeastern Ontario, who are in the same situation, I say again that the government can export to the United States the entire gold production of Canada. Indeed, we have a very important trade with that country. And I maintain that the government would then have at least the certainty of keeping its balance of payments with the United States within more reasonable limits than if it put an end to gold production.

On behalf of northwestern Quebec, in the name of the miners and especially of their families, I ask the government to be more generous. I am not begging but I ask the government to give assistance to the development of new gold mines in our region by encouraging prospection and getting the companies to invest there to save from stagnation an important proportion of our population and give our citizens the right to live in their country, Canada, and mainly in this part of the province of Quebec.

[English]

Mr. Speaker: If the minister speaks now he will close the debate.

[Translation]

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I wish to thank the hon. members for describing some very important aspects of the problem to the House and to assure them again that the government and the committee will sincerely take their views into account.

[English]

Mr. Speaker: The minister has closed the debate. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on National Resources and Public Works.

[Mr. Caouette.]

DEUTERIUM OF CANADA ASSISTANCE BILL

AUTHORIZATION OF GRANT TO NOVA SCOTIA TO ASSIST COMPANY

Hon. J. J. Greene (for the Minister of Regional Economic Expansion) moved that Bill C-5, to authorize the making of a grant to the province of Nova Scotia for the purpose of providing assistance to Deuterium of Canada Limited, be read the second time and referred to the Standing Committee on Regional Development.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, on behalf of the Minister of Regional Economic Expansion (Mr. Marchand), I am pleased to ask the House to approve second reading of this bill. I am sure members in all parts of the House appreciate that the heavy water plant at Glace Bay, Nova Scotia, was planned a number of years ago and was to start production in 1966. It failed to do so because of faults in design. A massive investment by the province of Nova Scotia has been rusting away.

Consequently, the Prime Minister (Mr. Trudeau) on April 10 of this year announced that the Government of Canada would provide to the government of Nova Scotia the substantial assistance necessary to rehabilitate the plant and get it into production.

• (12:20 p.m.)

The bill now before us will provide part of that assistance. At the time when the project was started, the area development agency approved the company's application for assistance to the maximum of \$5 million under the legislation then operative. Under that legislation, the grant would have been paid only when the plant was in production. Moreover, the legislation under which ADA operated sets a termination date. To receive an ADA grant, a plant must be in production by March 31 next year, that is to say, some five months hence. This will not be possible in the case of Deuterium of Canada Limited. Parliament has given the Minister of Regional Economic Expansion (Mr. Marchand) authority to grant time extensions, but only when the reasons for delay are beyond the control of the people establishing the plant.

In the Deuterium case, the failure to meet the deadline is due not to external factors but to technical difficulties which clearly must be regarded as the responsibility of the people putting up the plant. Accordingly, the Area Development Incentives Act cannot be used to make the intended \$5 million grant.

All members will agree that this has been a difficult and financially burdensome problem for the government of Nova Scotia. That government believes the plant can be rehabilitated, but substantial further expenditures are required. Opposition spokesmen, as recorded in *Hansard* for April 10 last, welcomed the Prime Minister's announcement of the federal government's intention to help the government of Nova Scotia with these expenditures. We, in this House, all recognize that it would be tragic if the large capital investments already made had to be abandoned. One way to save the government of