

Oral Questions

It is my understanding that the company that pulled out, Gulf Canada, still has a financial commitment to the project and, as I understand it, will continue to have that commitment for another eight months to the tune of around \$100 million in rough estimates.

Since this project is so critical to the economy of Newfoundland and, indeed, in times of recession to the economy of the country, I ask the minister to tell me what contingency plans the government has beyond the eight-month time frame to ensure the success and the continuation of this critical megaproject.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I want to take every opportunity to assure the hon. member, members opposite and particularly the citizens of Newfoundland and Labrador that the government is committed for the project to continue.

The provision that the hon. member mentioned was a provision whereby at the time of negotiation of Hibernia, there was a company that wanted to have the ability to withdraw from the project at any time without any penalty. We insisted that there be a penalty. That issue is the 243 days that was triggered as of yesterday.

There are now two things in the contract. First, the consortium has to restructure and then come to us with its plan. Obviously we cannot wait very long because of the indecision. I say to the hon. member that I am willing to go to St. John's. I have mentioned that to the Government of Newfoundland and I say it to the House today. We can remove some of that indecision. I appreciate it is a difficult situation.

Second, as I have said to the hon. member, if some of his colleagues want to have a further briefing today, I stand ready to do that as well.

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STONE CONSOLIDATED PULP AND PAPER MILL

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, my question is for the Prime Minister. I know the Prime Minister understands one industry communities from personal experience.

The announced closure of the Stone Consolidated Pulp and Paper Mill at Bathurst will result in the loss of as many as 1,500 jobs in an area that has been badly hit by

the recession and by lengthy strikes. For more than 70 years that pulp mill has offered stable jobs and has strengthened the economy of the region.

What is the Prime Minister prepared to suggest to the workers and the people of Bathurst today as to help they can expect from this government during this time of crisis?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I said in my earlier response that the closure was brought about by some difficulties between management and the union. It is not an area where we would have any reason to intervene. I am told that discussions are ongoing. The premier of New Brunswick is prepared to offer the companies some concessions that would bridge some of the difficulties.

I would hope that the hon. member would join with me in being hopeful that the problem can be resolved in an amicable fashion.

[*Translation*]

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, I have a supplementary for the Minister of Employment and Immigration who also knows how important a major industry can be for a region's economic and social well-being. First of all, Bathurst, like Edmonston, has been a pulp and paper town for a long time. What kind of programs does the government intend to put in place to help plant workers, loggers, truckers and owners of logging equipment who are directly affected by the closing of Stone Consolidated Bathurst? People need a glimmer of hope. When can they expect some details on adjustment programs?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I share the hon. member's concern for people in the Bathurst area who are faced with the decision made by the company. I had a meeting with Premier McKenna two weeks ago, and we discussed the situation in Bathurst again the other day. We agreed to make sure that the adjustment programs we have for helping workers in this kind of situation truly reflect the needs of the region. We agreed to continue to co-ordinate our efforts in this respect, but we still hope that the company and the union will be able to find a solution that will allow Consolidated Bathurst to continue its operations.