

Supply—Regional Development

department. I therefore do not propose to give a long statement at this time. It will be more appropriate if I respond later to any new points that are raised. I do want, however, to take advantage of this opportunity to make a brief statement covering certain important points in connection with Devco.

A great number of subjects relating to the operations of the corporation were raised before the standing committee, and, I hope, satisfactorily answered. There is, however, one point of such importance that I feel it should be restated to the house as a whole.

The main objective of the corporation, as is well known, is to rationalize the coal mining operations but to do so only in a way compatible with the social obligations that we have to the miners. There has been, with good reason, a great deal of concern among the people of Cape Breton and the members of the standing committee about the possible hardship and dislocation which may be caused in the lives of employees. I can assure hon. members that the corporation recognizes its very fundamental social obligations. I can further assure members that the government will be watching closely to ensure that these obligations are fulfilled.

The first step in the corporation's program will be to introduce and implement the proposed pre-retirement leave plan. Until the corporation knows how many employees are going to take advantage of that plan, it is difficult to be specific about the details or the timetable for future operations. Accordingly, the plan is sufficiently flexible to ensure that coal mining operations will be adjusted to the labour force situation, so that no miner has to be discharged before he is entitled to pre-retirement leave unless there is a job for him to go to.

The corporation will be opening the new Lingan mine. That will in itself provide new work while the mine is being developed as well as after it is in production. In addition, the corporation is busily seeking to attract other industrial developments on the island of Cape Breton. The pace at which operations in the existing mines are reduced will depend on the pace at which, for these reasons, alternative jobs become available for the miners.

This is the essence of the plan. I invite members to consider whether any painful industrial situation of this kind, where an industry has to suffer a major contraction, has ever before been dealt with by methods as farsighted and humane.

[Mr. Marchand (Langelier).]

Mr. MacInnis: Mr. Chairman, following the brief statement by the minister in which he has indicated there have been questions and answers in the committee that he hopes satisfied members of the committee, let me review the situation. Because of annual costs to the federal government for the payment of coal subsidies or subventions the federal government saw fit to set up this crown corporation in conjunction with the provincial government in order that the coal mining situation would be somewhat stabilized, thereby giving the miners and these communities some security, which they have been labouring without for a number of years. Job insecurity in that area has been bothering the people for a great many years.

● (3:40 p.m.)

In brief appearance before the committee the chairman of the Cape Breton Development Corporation indicated that the Donald report was used as a guide. Several days later when he was questioned about this he said no, not necessarily, because they were undertaking certain plans and developments that were not recommended by Dr. Donald. This is not the case. The particular item I referred to was the opening of the mine at Lingan, which the chairman of the board said Dr. Donald did not recommend. At page 129 of Dr. Donald's report it can be seen that he recommended the opening of the Lingan mine and putting it in operation for a five-year period.

I personally did not believe that Dr. Donald's report should have been the basis of this legislation, and I do not think that when the legislation was put together his report was used as a guide. If any one wishes to study the difference between the Donald report and the Rand coal report of 1960 they can see there is a great difference of opinion between these two gentlemen. Mr. Justice Rand went into the coal mining areas and the mines and examined the situation there, and I think the house would agree that he would, therefore, be a far greater authority on the subject than Dr. Donald who brought in a report in respect of coal without even visiting the coal mines. A difference of opinion has been expressed by the chairman of the board. Dr. Donald never visited the coal mines, and he made certain recommendations that Devco did not think he made on the first place. However, they are there.

The intent of the legislation at the time it was drawn up was not only to give protection to the miners but to the mining communities.