

### *Regional Unemployment*

expect nothing short of miracles while lying, threatening and destroying.

● (2010)

Mr. Speaker, it has to be agreed that it is easy to criticize, and that is the course the opposition seems to follow; this week's motion is just a rehash of the one we heard last week—long theoretical statements that would mean anything but finally mean nothing. I would like to illustrate with a specific example the process which leads to unemployment in regions like mine. First here is the text of a telegram I just received announcing the closing of a plant in my riding, and I quote:

This is to inform you of the decision made by Domtar Packaging Limited to end all its operations and close its kraft paper and board plant in East Angus, Quebec. This move will involve the lay-off of about 570 employees mostly represented by two unions affiliated with the CNTU. This difficult decision is inevitable for us as a result of the problems set by the current economic factors and the long term out-look for this plant.

Besides, here is the text of the letter that the general director sent to each of his employees, and I quote:

We are sorry to inform you of the decision of Domtar Packaging Ltd. to discontinue all its operations and close down its kraft paper and board plant in East Angus. The Minister of Labour and Manpower and the Minister of Industry, Trade and Commerce were informed of our decision. We know that you are aware of the economic problems which have been facing the company over the years. We fully understand the impact this decision will have on yourselves and families. The reasons for this important decision are as follows: 1. In the late sixties and early seventies, a major capital investment program was considered for the East Angus plant; the money was supposed to be used to replace the recovery boiler, reduce pollution, increase the production potential and improve productivity. This modernization program has never been implemented because it was not fully justified, at that time in view of other priorities and of the risks inherent to the kraft paper markets. Finally, the quick increase in capital costs in the last few years, due to inflation, made it impossible to reconsider such an investment program. 2—We had to reduce the operation rate of the recovery boiler in August 1976 for safety reasons. There followed a drop in the production capacity of the kraft plant from 70,000 to 50,000 tons which, combined with the present cost of wood, energy and manpower, made the plant economically not viable. 3—The funds which are necessary to increase production and bring productivity to a satisfactory level, to replace machinery and comply with the new pollution standards, cannot be generated by the operation of the East Angus plant. We could not have an acceptable return on investment, even if the funds were coming from external sources. In spite of the present labour situation, the company is prepared to give its employees a layoff notice as long in advance as possible. You are hereby notified that the plant will cease its operations and that your employment with the company will be terminated at midnight on September 30, 1977 at the latest.

This is a story which happened repeatedly in my constituency, Mr. Speaker, in the cases of Épingles Mégantic Manufacturing, Kilgour Limited, George Sheard Ltd. and which combined with other layoffs to bring the unemployment level to over 20 per cent.

If we refer to the particular situation in the riding of Compton, where the labour force is made of about 22,000 workers, if we consider that in the town of East Angus alone, the third largest town in my constituency, unemployment now affects about 1,350 people, we get to the fantastic rate of unemployment of 36 per cent, if we include the forthcoming closure of Domtar Limited.

I must say that East Angus, the third largest town in my riding, was enjoying the best average wages among the 66 municipalities in my constituency. The economic factors con-

[Mr. Tessier.]

sidered are as follows: productivity, high wages and, more recently, language problems, labour relations issues, security and pollution problems.

The solution we should apply under the circumstances would cost about \$30 million to update the East Angus plant. The question we must ask and accept that it be asked is the following: Why should Domtar invest in East Angus? Why should Domtar accept to invest in Quebec? Why should Domtar accept to invest in Canada or elsewhere? Who would venture an answer? Until we have proof to the contrary, the answer belongs to the one who will have to pay, which means that indeed the decision to close might very well stand.

Concerning long term opportunities, profitability, security and labour relations, can we look forward to new developments? Finally, Mr. Speaker, this motion is a good opportunity to ask the question: to what extent is the federal government responsible for that closing? Frankly, I would say that the government is in no way responsible, but if we say that the plant should stay open, that to be economical production costs should go down by 25 per cent, then who would be responsible for the cost of such an industry? Could we require the employees to accept wage reductions? If so, who would dare ask such a question? If so again, why should the employees alone have to pay? Why should some industry workers have to pay for the present economic situation?

The one hard fact is that we will have to use unemployment insurance immediately and perhaps even social welfare in the long run. How much would the federal government be prepared to pay to prevent such a situation? The opposition has been trying today to give us a lesson, but just what is it prepared to do to support the government to protect about 5 per cent of the manpower in a riding such as Compton?

That is a sad question and unfortunately the answer has been the same in past years—shut down after shut down. Let us consider Quebec generally. Certainly the government is criticized because it is supposedly responsible for everything, or so most people think.

So, on November 15, as he was regarded as the only one responsible for everything that went wrong in Quebec, Mr. Bourassa was voted out of office, and today what has become of it? We hear the same old story over again every day that we are fed up with multinationals and with employers who want to be their own boss and that such employers who refuse to pay high wages are not good citizens. In summary, we want to enjoy every benefit from capitalism and socialism without having to pay for it and often without even having to make a choice. Therefore, who is going to create employment? Is it the government or private enterprise?

It is about time we start being consistent and realistic. If there is such a thing as the right to work, it must certainly be extended wherever possible. Can we not be positive? If so, let us stop blaming workers, businessmen, manufacturers or multinationals. Our prime concern should be the respect for the worker and for the one who provides work. Only on those conditions is the right to work possible. But before that, we