

Barootes had had an opportunity to examine the whole situation, he would have reacted differently.

Economists are the bane of our lives. We hear about "sound economic reasons;" they prescribe for us on the basis of sound economic reasons and projections, and then, of course, within months, we discover that it was all quite arbitrary and unsound.

In Port Hawkesbury, we were told by some of the workers that they were bitterly disappointed when the announcement of the closing of the heavy water plant came in the budget, but that they had come to believe that the eventual closure of the two plants was inevitable. Somehow the idea had become fixed in their minds that these two plants inevitably would be closed. The question I raise is if there is to be no market for heavy water, then should not our whole atomic energy program, the whole Candu program, be put on the same basis and closed down, with that closure being regarded as inevitable? If the fuel for the tank is not needed, then, presumably, the tank is not needed either. It is inevitable, we are told, that the heavy water plants must go, but it is not inevitable that the energy reactor program should terminate as well.

● (1630)

If you go back over the history of the economy of this country, I think you will be surprised how often major decisions have been speculative. The biggest one in the nineteenth century, I suppose, was the decision of Sir John A. Macdonald to go ahead with support for the construction of the Canadian Pacific Railway. That was purely a speculative decision. The Liberals of that day talked about the sound economic reasons why the railway should be built by private enterprise bit by bit as the population spread westward and provided a market for the services of the railway. John A. Macdonald thought big; he was prepared to make a speculative decision based on his vision of the future of the country. The Canadian Pacific Railway was built; it went into operation 100 years ago this year. If sound economic reasons had prevailed, it would not have been completed in 1885, and the whole history of Saskatchewan, Alberta and British Columbia would have been entirely different. Quite conceivably, those provinces would have been states in the United States today. Of course, there were people in those days who said that it was inevitable that the west would become part of the great plains states of the United States. But there were people who were prepared to fight against that kind of mythology. They were prepared to make political decisions, decisions to shape the future of the country according to their own vision and their own aspirations, rather than listen to the small-minded soothsayers of inevitability.

Senator MacEachen has shown that the de Havilland decision, too, is really a speculative one. The hope is that we will be able to maintain an aeronautics industry in this country. I hope that the future bears out that aspiration. Similarly, with regard to the heavy water plants, it is a speculative matter. It is up to government from time to time to make speculative decisions, to move optimistically into the future. I realize that private business often cannot do that because its obligations

are different. That is why private business should operate private enterprises, and why government should operate government enterprises. These are quite different matters.

I agree with what Senator MacEachen has said, and I am sure that Senator Muir does also, namely, that we ought not to be confronted, as we are in this bill, with a decision to go ahead speculatively expending large sums of money in the city of Toronto, in the province of Ontario, one of the regions of Canada, while at the same time we know that two heavy water plants in Nova Scotia are being closed down with very serious impact upon that region of the country.

The country in a sense is a kind of saucer and we are out on the edge. When things dry up, we dry up first but the people in the centre generally have a little moisture even in the driest of times. I am making a plea for a reconsideration of this decision. I am sure that every premier in the maritime provinces, together with the Atlantic Provinces Economic Council, will second my plea.

One of the things that comes out clearly is that there have been no impact studies as to the result of these closings in these communities. Perhaps the prospect is so desperately bad that people could not bring themselves to draw together the picture; that probably would be truer in the Glace Bay area than in the Port Hawkesbury area. But surely if this was inevitable there should have been detailed impact studies carried out. There are 2,000 jobs involved when you take the multiplier effect into consideration. Are we going to go ahead with other expenditures in the area which will have been deprived of their viability by reason of this decision? Nobody seems to know. I think there are very good reasons why the government should decide to delay this matter until impact studies have been made and the matter has been considered coolly and imaginatively and beyond the sway of the inevitability mentality.

Hon. Efstathios William Barootes: I should like to pose a question to the honourable Leader of the Opposition or to Senator Stewart. My question is prefaced with that short two-minute address. I hold no brief for de Havilland Air in Toronto. I have great sympathy for the situation in Cape Breton Island of which each of you has spoken with such emotion and belief. Have you any statistics you might present as to what it costs annually to maintain one worker on the job at the two heavy water plants in Cape Breton Island?

Senator MacEachen: I do not have that statistic. I think the per worker amount would be quite high because of the value of the product which is in inventory. Of course, the annual outlay from the Treasury to purchase heavy water for which there is no current market is considerable. I have said that it is a difficult decision, and one has to take that into account. I have given you my overall view, and taking into account the validity of what is implied in your statement, I still believe that the considerations which I have put forward outweigh that particular factor of the per worker costs.

Senator Barootes: The social value of the industry in the area is not being underestimated but the economic costs of