

Rural areas are placed at a particular disadvantage by this legislation. The IRDP tier system had its faults, but at least it allowed for a delineation of modern and slow growth areas. Honourable senators will know that the worst ravages of regional disparities are found in the small and isolated communities across the region. The ACOA legislation does not recognize this reality, in my opinion. For example, communities like Dominion and Arichat will see their proposed development projects subjected to the same criteria as those in Moncton and Halifax.

The vast majority of Atlantic Canadians who live in rural areas work in the primary resource industries. Bill C-103 holds no specific promises for fishermen, farmers, woodsmen or the men who mine coal, zinc, potash and iron ore in Atlantic Canada. The government was apprised of this shortcoming in the legislation during committee study in the other place. So far, the government has not responded.

A fundamental principle of regional development is the necessity of meeting basic infrastructure needs. Local initiatives are hampered by a lack of infrastructure. Private investment from outside the region will simply not materialize if infrastructure is not in place. The impact of technology and the ease of mobility, which the skilled labour force enjoys, has taken the demands for infrastructure beyond roads and industrial parks. In addition to capital infrastructure assistance to industry, we must look at community level infrastructure which enhances the quality of life for our residents and signals investors from afar that we will no longer tolerate the serious environmental degradation evident in our towns and cities. Broader regional goals in telecommunications and transportation infrastructure must be addressed. Given the importance of infrastructure upgrading to the region, it is unfortunate that Bill C-103 does not contain a commitment in this area.

● (1510)

Honourable senators, Part I of Bill C-103 is an attempt to respond—but is not an adequate response—to the economic problems of Atlantic Canada. Its shortcomings, however, pale in comparison to Part II—that section dealing with Enterprise Cape Breton Corporation and the dismemberment of the Cape Breton Development Corporation. In his speech Senator Murray made just passing reference to this section of the bill, and that undoubtedly was deliberate. I am sure he wants to save some ammunition for later. However, he did suggest that Enterprise Cape Breton Corporation “addresses the special needs of Cape Breton.” Those Cape Bretoners opposed to relegating to the history books 20 years of success in initiating community growth through Devco are not pleased, by any stretch of the imagination.

Clause 33 of the bill states, in part:

The objects of the Corporation—

That being the Enterprise Cape Breton Corporation—

... are to promote and assist ... the financing and development of industry on the Island of Cape Breton to provide employment outside the coal producing industry and to broaden the base of the economy of the Island.

I draw the attention of honourable senators to the words “to provide employment outside the coal producing industry.” Rather than introducing a separate bill to eviscerate Devco, the government is attempting another sleight of hand.

This year, honourable senators, it is worthy of note that Devco celebrates its twentieth anniversary. In the intervening two decades it has recorded impressive gains in performance and made outstanding contributions to the economy of Cape Breton.

Devco was formed in response to economic events in Cape Breton in the mid-1960s which, as one observer put it, threatened to turn the Island into a slum. Cape Breton was already in serious economic distress when the Dominion Steel and Coal Corporation—the Island’s largest employer by far at the time—announced its intention to close down its coal mines, thereby eliminating some 6,500 jobs, which represented approximately 14 per cent of the Island’s total employment.

The economic and social disruption of the shutdown would have been so devastating to Cape Breton that the government could not let it happen. Devco was therefore established to take over Dosco’s mines and to provide jobs and new industries outside the mining sector.

Devco’s mission was succinctly defined by the Honourable Allan J. MacEachen, in the House of Commons when he was speaking on the motion introducing the corporation’s enabling legislation:

To acquire, reorganize and rehabilitate certain coal mining works and undertakings on Cape Breton Island, to conduct coal mining operations in the Sydney coal field and to promote and assist the development of industry on Cape Breton Island to provide employment outside the coal producing industry and to broaden the base of the Island’s economy.

That speech was made in 1967. I believe it is acknowledged by everyone concerned that Senator MacEachen was the individual most influential in and responsible for the establishment of Devco.

Honourable senators, in order to deal with the separate tasks of rationalizing the coal industry and promoting new industry on Cape Breton Island, the Cape Breton Development Corporation Act provided for two divisions to be set up within Devco: namely, the Coal Division and the Industrial Development Division.

On a personal note, after the corporation was established, I happened to be the first employee on the ground in Cape Breton when Devco was preparing to take over the employees and assets of the old Dominion Coal Company. Senator Murray’s father, the late Danny Murray, had been the chief inspector of mines for the province of Nova Scotia. Danny Murray was one of the most respected individuals in the coal mining industry anywhere in Canada, and I shall always be grateful for his friendship and wise counsel during that transitional period.

The Coal Division is responsible for the reorganization and operation of coal mining and related works in Cape Breton.