

*The Budget—Mr. Peters*

Mr. Speaker, having lived in and represented a designated area for a number of years, it seems to me that the mere fact of designation is in itself no answer. Expertise will be required. Capital will be required, and scientific planning to provide initiative for industry. The latter is lacking today. I may be wrong, Mr. Speaker, but to my knowledge the original development program cannot claim responsibility for establishing one new industry. Certainly, it assisted many industries, but it did not initiate any. The strength of the program will be discovered by going back to the original proposals, picking out slow growth areas and creating vibrant municipalities in them.

According to the minister's recent proposals, if a municipality wants to up-grade its industrial potential the federal government will lend the necessary money to the provincial government for the development of the municipality's services, in order to encourage industrial development. This will go down well in those provinces which have already decided on this course of action. But there are a surprising number of areas in Ontario in which the provincial government has gone it alone, and it is surprising that the province has shown great reluctance to co-operate with the federal government in developing other areas. Much expert advice will be required.

There is one particular problem in my area which may soon reach crisis proportions, and the federal government is not being the least bit fair about it. The federal government has not really made any public declaration of whether it is going to close gold mines in Canada this year. I am not sure of the role which gold is playing in the Canadian economy at the present time. Neither are many economists sure of that role. But we know that gold is an export commodity. Last year it made us about \$7½ million, discounting the subsidy paid on it. Further, we hold gold in our own country. Gold still plays a role because there are certain purchases which must be paid for in gold. But as you know, Mr. Speaker, the gold mining industry has been supported for many years by the provisions of the EGMA, which now support about 30 mines at an annual cost of about \$14 million.

In this connection it is interesting to note that mining communities are divided into three categories. First, there is the community in which gold mining may be the sole economic base. If gold mining is closed down, then obviously the community closes down

too. In many cases this may mean that 500, 600 or 1,000 families will be left on welfare because there is absolutely no other type of industry available for that community. If the Minister of Regional Economic Expansion (Mr. Marchand) were to rise in his place and say that the EGMA would be discontinued, and that the government had designated this first category of mining community as areas requiring special assistance and was ready to start moving industry into them, then all would be well and good. People in those communities would express considerable support for the transfer from the gold mining industry to secondary industry. But such a transfer simply cannot be made by the manpower program retraining gold miners, because most of these people are over the age of 47 or 48 years.

Many of these people do not speak much English. Their educational standard is very low, and they cannot be retrained. Their educational standard cannot be raised to that of Grade 10. Many of them have not attended Canadian schools. Their familiarity with our written language is very limited. They have been employed in this one type of industry all their lives, and their ability for retraining is limited.

Then, there is another class of community where the impact will be very heavy. It is the area in which gold mining is partly responsible for upholding the economy, and here I speak of places like Timmins and Kirkland Lake where there are other types of industry but not sufficient to support the communities if gold mining is closed down. Here the retraining problem is exactly the same. These people cannot be employed in different types of mining. They are too old to be retrained. I am sure other mining firms would not accept them because they have spent their lives in silica mines, in hard rock mining, and other companies would fear the necessity of providing silica pensions for them in later years.

The last category of community is the most recent on the scene, and it is difficult to forecast the impact on it. Here I speak of mines such as McIntyre, the Ross Mines, and others. I am speaking of mines in northern Quebec and in the upper Kirkland Lake area. They are gold mines, and during their underground development substantial bodies of copper were discovered. They have both a gold operation and a copper operation run in conjunction with each other. I believe that in many cases their gold operation is supporting a very uneconomic copper operation.