

Oral Questions

opportunities for natives. We intend to maintain the same increase next year. In addition to that, further consideration is being given by my cabinet colleagues to increasing housing starts greatly to provide the very job opportunities the hon. member is talking about.

[Translation]

REGIONAL ECONOMIC EXPANSION

ESTABLISHMENT OF PULP AND PAPER MILL IN MATANE, P.Q.—
GOVERNMENT POSITION

Mr. Bill Clarke (Vancouver Quadra): Madam Speaker, my question is for the hon. Minister of Regional Economic Expansion.

Two weeks ago I asked the Minister of State for Small Business about the decision to build a paper mill at Matane rather than in the Matapedia Valley as promised by the Minister of Regional Economic Expansion. The minister replied that no decision had been made. Matapedians must now forget their dreams. This is yet another example of the questionable methods used by the government to gain votes.

My question is as follows: Can the minister tell us whether he is happy with the mood that prevails in the Matapedia Valley after the action he has taken in regard to the paper mill promised to the people of the area, a promise which he has not kept?

Hon. Pierre De Bané (Minister of Regional Economic Expansion): Madam Speaker, seldom have I heard such misrepresentations. I remind him that it is the government of Quebec which, on September 5 last, announced, without prior consultation with the federal government, the establishment of a paper mill in the Matapedia Valley, that it is the government of Quebec which a few days ago cancelled that decision on the recommendation of its department of the environment, so the federal government was not involved in that issue.

Mr. Clarke: Madam Speaker, the minister promised to pay, and I quote:

—even a prohibitive differential.

Can the minister tell the House when the government will keep the promises it made to these people and to others?

Mr. De Bané: Decidedly, Madam Speaker, the hon. member simply refuses to understand. I will say it again: it is the government of Quebec which recently cancelled that decision on the advice of its department of the environment which determined that the project could not be carried out without any damage to the environment. I made that commitment

three years after the Quebec government told the people of the Matapedia Valley that they were entitled to their own paper mill, and at that time, the building differential which I was prepared to pay was minimal and to quote the Quebec Premier, practically non-existent. We have just learned that prior to their announcement of September 5, Quebec officials had never even considered the matter.

[English]

NATIONAL SEA PRODUCTS PLANT LOCKEPORT, N.S.—INQUIRY
RESPECTING GRANT

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, my question is also for the Minister of Regional Economic Expansion. On July 23, 1980, a disastrous fire destroyed the National Sea Products plant in Lockeport, Nova Scotia, causing the loss of some 305 jobs. The plant represented more than 50 per cent of the economic base of the Lockeport area and the 1979 payroll was approximately \$2.5 million. Almost seven months has passed since the date of the fire. In the interim officials of National Sea Products have provided government officials with detailed plans for a new plant in Lockeport. I therefore wish to ask the minister if he is in the position to indicate when a DREE grant will be made available to assist in re-establishing this much-needed facility.

Hon. Pierre De Bané (Minister of Regional Economic Expansion): Madam Speaker, I would like to compliment the hon. member for his genuine concern with respect to this problem. I am happy to report to him that at the moment my officials are discussing an offer with the owners of the company. I hope the offer which is being made by my department will be accepted by the company and that the plant will be rebuilt in the very near future.

Mr. Crouse: Madam Speaker, I thank the hon. gentleman for his answer. I would like to point out to the minister that his parliamentary secretary replied to a similar question on January 13, 1981, stating that a reply to this matter could be expected within the next few weeks. Of course, such delay in getting something started is costing the company an estimated \$100,000 due to inflation, while increasing the burdens of the municipality which must provide welfare payments to the workers where unemployment insurance benefits have expired. I would like to ask the minister what other steps, if any, can the company take to expedite the reconstruction of this plant, bringing this situation to a final conclusion?

Mr. De Bané: Madam Speaker, I would like to be crystal clear in my response to the hon. member. The moment the company accepts the offer which has been made to it, on a confidential basis, then that is the moment I will be able to make a press announcement. But, of course, I must wait for the company's acceptance of the offer which has already been made by my deputy minister on my behalf.