

*The Address—Mr. MacLellan*

Sydney and Antigonish areas. Decentralization planned for Sydney has an importance to that region which far outweighs the cost involved.

The Cape Breton economy cannot withstand the cancellation of these decentralization plans. The latest figures given by the department of development in Nova Scotia showed an unemployment rate of 17.4 per cent in industrial Cape Breton. We are not asking for charity but merely seek an early investment by the Government of Canada in the future of our area. We have no doubt that if our economy follows the course it should take, our economy will be viable in the future. However, we are presently trying to keep our communities intact until such time as the modernization of Sydney Steel, the opening of new coal mines and a more enlightened approach by Canadian National Railways and CN Marine put the Cape Breton economy in a positive position.

With respect to Sydney Steel Corporation, the situation is serious. The British North America Committee has stated that the cost of producing basic products is increasing at three times the rate of inflation and if governments such as ours fail to take positive action there will be a shortage of these basic products by the end of the twentieth century. One of these basic products is steel. Despite this very sobering information, the government has chosen to do nothing to aid Sydney Steel Corporation financially. The Minister of Regional Economic Expansion (Mr. MacKay), who during the last Parliament was very vocal in trying to right the wrongs of this country, is suddenly very quiet. I guess he has found that things are very different when you get on the other side of the investigation.

The minister responsible for DREE has promised that substantial aid will be forthcoming. He has not said how much, or when, but he has gained the faith of the people of Cape Breton. Steel workers and merchants alike genuinely believe the minister when he says substantial aid for Sydney Steel is forthcoming. Let us mark this moment, Mr. Speaker. Let us hope that the minister, who in the past has been so much on the side of the individual, will keep his word to the people of Cape Breton who have placed their faith in him. Of course he will need to obtain money, and this brings us back to the President of the Treasury Board. I say to him that Sydney Steel can be profitable and urge him to have some faith in the people of Cape Breton.

It would seem that the government is fast becoming elitist and the Speech from the Throne reflects this. However, I do take some heart from the comment that the government will build upon the strength of the regions. Sydney Steel is a strength in eastern Canada, and if the Minister of Regional Economic Expansion or the President of the Treasury Board has any doubts on this question, I would be very glad to inform them of why this is so. In fact I have been trying for over three months to see the Minister of DREE, and now I think he is in danger of giving me an appointment for next week, for which I am very grateful.

[Mr. MacLellan.]

● (1800)

**Mr. Baker (Nepean-Carleton):** Why don't you just walk across the floor?

**Mr. Alexander:** It is easier; why don't you?

**Mr. MacLellan:** No, thank you. The penalty is too high. You have a good sense of humour.

Coal is our strength, and everybody in Nova Scotia realizes that. Even the Nova Scotia government has come to realize that. Nova Scotia suffers from extremely high energy costs and wishes to use thermal coal to generate electricity. The Nova Scotia government is constructing two generating stations, and plans for two more, but there is only one problem, namely, a shortage of coal.

Can we possibly believe that in an area with a 17.4 per cent rate of unemployment, and with coal deposits which have already been confirmed, there can be a shortage of coal? The reason for this predicted shortage is that the federal government has not yet decided whether it will open new mines. If we want to know why there is unemployment in Cape Breton, we only have to look to the government which is not investing in Cape Breton even when investment there is a sure thing. I am asking the Minister of DREE and the President of the Treasury Board to get out of neutral and to give the financing to the Cape Breton Development Corporation that would see the development of the Prince mine near Sydney mines, and the Donkin mine, and which would bring it to completion. This is too urgent a request to be denied.

**Mr. Deputy Speaker:** I regret to interrupt the hon. member but it being six o'clock I do now leave the chair until eight o'clock this evening.

At 6.05 p.m. the House took recess.

● (2000)

**AFTER RECESS**

The House resumed at 8 p.m.

**Mr. MacLellan:** Mr. Speaker, as I was saying, there is an urgent need to develop coal mines, mainly because of the ever increasing cost of oil and the time needed to bring a coal mine on stream.

As I said earlier, I think the Minister of Regional Economic Expansion and the President of the Treasury Board are stuck in neutral. If they are stuck in neutral, then certainly the Minister of Transport (Mr. Mazankowski) and the Minister of State (Transport) (Mr. Howie) are stuck in reverse. Canadian National Railways and Via Rail are downgrading their services in eastern Nova Scotia. Of course antiquated and inefficient services will not be used, and when they are not used CN in its typical fashion will use that as the reason they are not needed and should be abandoned. I ask the Minister of Transport to look into CN and Via Rail services in eastern