

*Proceedings on Adjournment Motion*

minister of mines that the federal government has discriminated against Ontario in the matter of a regional development grant to build a smelter for Falconbridge Nickel at Bécancour, Quebec, can the minister say if Falconbridge Nickel ever applied for a grant to build a smelter in Ontario? If so, was this application turned down?"

The question was prompted by a newspaper report carried on page 2 of the *Ottawa Citizen* last evening, January 20, which quotes Allan Lawrence, minister of mines for the province of Ontario, as accusing the federal government of practising discrimination against the province of Ontario in its economic expansion program. He went on to say that the main reason Falconbridge was building the refinery complex in Quebec was that it was turned down flat by the federal government when it requested assistance to build the smelter in Ontario.

I have trouble believing Mr. Lawrence, as do the people of northern Ontario, but I think the Minister of Regional Economic Expansion should have an opportunity to set the record straight and that is why I ask the question. I have been advised that Falconbridge Nickel never applied for a grant to build a smelter plant in Ontario; they never even made inquiries of the Department of Regional Economic Expansion. Mr. Lawrence made his statement at a meeting where he was trying to woo the support of delegates to the forthcoming Ontario PC leadership convention, so perhaps he can be forgiven.

I believe his statements were based more on a desire to garner delegate support than on facts. Mr. Lawrence is very popular in the north. It is one of the few places in the province where he is running ahead of William Davis for the leadership of his party in Ontario, so perhaps he got carried away with the enthusiasm of his supporters and strayed from the facts on the Falconbridge smelter. However, his words are reckless and irresponsible for a man who aspires to be premier of the province of Ontario, and now he has a credibility gap where his greatest strength is, in northern Ontario.

The question asked in northern Ontario is this: If Mr. Lawrence wanted this smelter to be built in Ontario, why did he not persuade Falconbridge Nickel to build it in

Ontario? If he could not persuade them, why did he not force them to build it by passing legislation? That is the real question. This matter is of concern to me as member for Algoma because the closest access to Seaway shipping from Sudbury nickel mines is from the Spragge or Little Current area in the Algoma federal riding. Indeed, there has been talk at different times that the smelter might be located in the Algoma area. We certainly could use the 200 to 300 jobs that it would create. But more important is the question that residents of Ontario want answered. They want to know that they are not being discriminated against by the federal government.

I am convinced that had Falconbridge applied for a grant to build in northern Ontario, which is designated the same as the lower St. Lawrence area, the same grant would have applied. It seems to me that the main reason the company is building on the lower St. Lawrence is that there is year-round shipping there which is not available in the Great Lakes' ports.

**Mr. Chas L. Caccia (Parliamentary Secretary to Minister of Manpower and Immigration):** The hon. member for Algoma (Mr. Foster) is to be commended for having raised so promptly and effectively an issue of evident concern him, and for his desire to serve the interest of the people he represents. Judging from his remarks, it appears evident that one of the candidates for the leadership of the Ontario Progressive Conservative party was a little carried away.

The allegation by the Ontario minister that the grant discriminates against northern Ontario, the present base of the company's operations, because that area is not eligible for incentives, in nonsense. The facts are that northern Ontario is eligible for incentives and that the Department of Regional Economic Expansion would have provided the same 8 per cent to Falconbridge if the company had chosen to establish there rather than at Bécancour. However, the company itself selected Bécancour.

Motion agreed to and the House adjourned at 10.20 p.m.

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