

*Inquiries of the Ministry***LABOUR CONDITIONS****NOVA SCOTIA—TRANSFER OF COAL OPERATIONS TO CROWN CORPORATION**

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): My question is for the Prime Minister. Is the right hon. gentleman in a position today to reply to questions I posed to him on Monday last with regard to the large scale lay-off of workers at the DOSCO steel plant, and a communication sent to the Prime Minister subsequently by the president of St. Francis Xavier University, Dr. Malcolm MacLellan?

Right Hon. L. B. Pearson (Prime Minister): I did get the telegram and I replied to it. I am sorry I do not have the reply at hand. I will have it with me tomorrow, and perhaps I shall be able to deal with the hon. member's question then.

Right Hon. J. G. Diefenbaker (Leader of the Opposition): In connection with the same matter, may I ask the Prime Minister whether he received any communication from Mr. Frank MacInnis, president of the federation of farmers and businessmen of Inverness county. Whether he has or not, will he give consideration to their request that having regard to the hardships and poverty endured for years by displaced miners and their families in Inverness county, where no other opportunity for employment of any kind exists, the government, in the appointment of members of the crown corporation, will see to it that a resident of the county of Inverness is appointed as one of the directors of that corporation in order that the views of Inverness county may receive full consideration?

Mr. Pearson: I am not certain whether I have received the telegram in question. I will be glad to look into the matter and reply tomorrow. Meanwhile, as the right hon. gentleman knows, a very wide ranging program of economic and industrial development in the area is contemplated, and I am sure all the inhabitants of the area will benefit from it. As to representation on the board of the corporation as requested in the telegram, I will be glad to look into this aspect.

Mr. Donald MacInnis (Cape Breton South): My supplementary question is related to the question asked by my hon. friend from Cape Breton North and Victoria. I would ask the Prime Minister whether the negotiations about which he spoke, involving the take over

[Mr. Pearson.]

of the Dominion Coal Company for a fixed price or in accordance with whatever other arrangements might be made, could not be extended so as to take over DOSCO itself, since the Hawker-Siddeley group paid such a small price for the complex in the beginning. By taking over DOSCO and establishing a crown corporation the transfer by DOSCO of the steel operation from its present location to Quebec might be avoided. The company is using the situation as a springboard for transferring the whole operation—

Some hon. Members: Order.

Mr. MacInnis (Cape Breton South): Would the right hon. gentleman consider the purchase of DOSCO as a unit in order to maintain the steel operation where it now is, rather than provide a springboard for the transfer to Quebec?

Mr. Pearson: This is a far reaching question involving government intervention in industry, and one which I certainly do not wish to answer on the orders of the day. It is too important to deal with in this way. There will be an opportunity to discuss this whole matter before long in connection with legislation, or even earlier. This will be one of the aspects of the question that will be considered.

Mr. Muir (Cape Breton North and Victoria): Supplementary to the answer given by the Prime Minister, Mr. Speaker, he stated that there will be an opportunity for discussion in regard to negotiations, decisions, far reaching programs and so on. Am I to understand this also includes what is to be done for the Sydney steel workers at DOSCO? I assume that when he previously mentioned taking over private industry, that pertained to the coal industry. Does he mean this is going to have an effect on the steel industry also?

Mr. Pearson: Mr. Speaker, any program of industrial development will include the whole area and all industry, and any discussion of this matter would naturally include discussion of economic and industrial development generally.

Mr. T. C. Douglas (Burnaby-Coquitlam): As a supplementary question, last Monday I asked the Prime Minister if in setting up the crown corporation to deal with the coal industry he would give some thought to the steel industry, particularly if there is any continued phasing out of the steel industry in Cape Breton? He stated that this was to apply solely to the coal industry. Could we have some