

Oral Questions

tires, with possible international repercussions and a direct effect on Canadian regional development policies, will the minister now say whether this in fact is an isolated case as he indicated earlier?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I did not make any such direct assertion that it was an isolated case. I said at that time I hoped it would be, and that continues to be the case.

Mr. MacKay: Mr. Speaker, is the minister now aware that two of seven Canadian pulp companies which were recently hit by United States tariffs in respect of their products were also in receipt of DREE aid, and how does he propose to deal with this situation in the general context of regional development policies?

• (1410)

Mr. Jamieson: Mr. Speaker, I think that question is so broad in scope it would be impossible for me to answer it in terms that you would permit. I would be glad, however, to discuss it with the hon. member, obtain more specific data from him and try to give him an answer.

Mr. Lloyd R. Crouse (South Shore): I have a supplementary, Mr. Speaker. Since both the federal and provincial governments have large sums of money committed in the form of grants or loans to Michelin, is any co-ordinated action being undertaken by the federal government and the premier and government of Nova Scotia toward having the special import duty on Michelin tires reviewed or rescinded?

Mr. Jamieson: The answer is yes, but perhaps my colleague the Minister of Industry, Trade and Commerce, who is more directly concerned with what I might describe as foreign trade matters, might be able to amplify.

Mr. Lewis: Mr. Speaker, I should like to ask a supplementary question.

Mr. Crouse: Mr. Speaker, the Minister of Industry, Trade and Commerce should be allowed to reply to my question.

Mr. Speaker: Order, please. Perhaps the hon. member for York South might be recognized now. The minister might be allowed to reply to the question on this subject asked by the hon. member for South Shore, but I have recognized the hon. member for York South. We might allow him to ask his question and then come back to the other question.

MICHELIN TIRE COMPANY—PROPOSED PLANT IN UNITED STATES—MAINTENANCE OF CANADIAN PRODUCTION

Mr. David Lewis (York South): Mr. Speaker, I wish to direct my question to the Minister of Industry, Trade and Commerce on this same subject. In view of the fact, as already stated, that both the federal and provincial governments have made large grants to Michelin and in view of the company's announcement that it intends to build a plant in the United States, will the minister inform the

[Mr. MacKay.]

House whether the government has obtained assurances from Michelin that it will continue to produce and export the number of tires it undertook to produce and export at the time the DREE grant was applied for and received by the company?

Mr. Speaker: The Minister of Industry, Trade and Commerce in replying to this question might at the same time reply to the question of the hon. member for South Shore which I believe was substantially the same.

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, on the first question, representations will be made to the United States authorities—

Mr. Baldwin: Will be made or have been made?

Mr. Gillespie: Representations have been made, but additional representations will be made in view of the finding now made by the United States administration. On the second point of the hon. member for York South, the question of assurances, so far as I am concerned the commitment stands.

Mr. Lewis: I have a further supplementary, Mr. Speaker. I should like to ask the minister whether in any representations made to the government of the United States the minister or any other member of the government is seeking assurances from Washington that this unilateral action in the case of Michelin tires and in the case of some other products will not be continued in respect of any other exports from other firms receiving government grants in this country?

Mr. Gillespie: Mr. Speaker, the answer is yes.

Mr. Lewis: Is that part of the trade negotiations continuing with the United States government? Are those negotiations in fact continuing and is the auto pact part of those negotiations as well as this problem?

Mr. Gillespie: The question of negotiations with the United States will after confidence is given to the government by the House. I would expect discussions to start shortly thereafter. With regard to the particular point of Michelin, we would hope it is an isolated situation. I think it is worth pointing out to the House that this was not an initiative of the United States government but was in response to a complaint by the United States rubber manufacturers.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view of the minister's statement that he does not intend to do anything about this matter until there is a vote of confidence I should like to ask him whether he believes a government that sits back and does nothing about this matter deserves a vote of confidence?

Some hon. Members: Hear, hear!

MICHELIN TIRE COMPANY—INQUIRY AS TO REMISSION OF DUTIES ON IMPORTS INTO CANADA

Mr. Lewis: I have a further supplementary question, Mr. Speaker, this time to the Minister of Finance. In view of the statement made by Michelin to the United States Com-