

*Oral Questions***FINANCE****POSSIBILITY OF STOCKPILING NICKEL—GOVERNMENT POSITION**

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I wanted to direct my question to the Minister of Industry, Trade and Commerce, but obviously the minister does not think these questions so important and he has left the chamber, so I will direct my question to the Minister of Finance.

In view of the fact that 2,800 jobs will be lost in the Sudbury Basin, 600 jobs in Thompson, Manitoba and another 700 in Port Colborne, and in view of the fact that the loss of those jobs will be a loss to Revenue Canada and, in terms of unemployment insurance pay-outs, will exceed \$50 million, as well as in view of the fact that the minister has said that INCO has a stockpile of seven months and we know that the government has stockpiled uranium for seven years to save the community of Elliot Lake, is the government now prepared to make an announcement to give confidence to potential investors in the Sudbury Basin, in Thompson and Port Colborne—and I wish the minister would make it—in which the government will undertake to stockpile nickel and copper until the markets improve which, according to some projections, will likely take place late next year or early the following year?

[*Translation*]

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, we considered this possibility when we met with INCO representatives here two days ago, but setting up a new nickel stockpiling program would be unwarranted at this time because it could cause the market to deteriorate even more. The buyers would then be in a position to offer prices which would be lower still, which would indeed compound the problem. The company refuses to move any further in this direction and does not request governmental assistance in this area.

I believe the best solution just now is that which was put forward by the Minister of Manpower and Immigration, because he has already started negotiating with the unions and the company with the hope that, maybe through the introduction of a reduced four-day week and with government assistance, the families of the laid-off workers might still have incomes, though on a reduced scale because of the additional day off. These workers would be entitled to compensation from the government, but they would be working at least four days a week. The solution is probably more in this direction than in a stockpiling program, because the latter solution would be counterproductive at this time.

[*English*]

SUGGESTION MINISTER REQUEST DELAY IN INCO LAY-OFFS

Mr. John Rodriguez (Nickel Belt): Not accepting the preamble to the minister's answer, and keeping in mind that we have stockpiled in this country wheat, butter, uranium and gold for years and years to save these industries, and in view of the fact that the minister said that the government will discuss the alternatives to the situation in Sudbury, Thompson, and

[*Mr. Baker (Grenville-Carleton).*]

Port Colborne, may I ask the minister whether he is prepared now to get in touch with the INCO chairman of the board and to suggest to him that he rescind the order for lay-offs until after he has discussed the alternatives so that they can find some *modus vivendi* for the industry because the latest developments have affected it so disastrously?

[*Translation*]

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, the company has notified us because it gave a 14- to 16-week notice to its employees, which will enable us to find a solution. It has to do so, and I think that until now both the company and the union have shown goodwill; so if everybody keeps calm, we hope to be able to find a solution. I think that the proposal the hon. member is making now is not really the solution, I am sorry to say, but we are always prepared to discuss the matter with the company.

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[*English*]

EXPORT DEVELOPMENT CORPORATION**EFFECT OF LOANS TO MULTINATIONAL COMPANIES ON EMPLOYMENT IN CANADA**

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, in view of the fact that the Export Development Corporation lent PT Indonesia, which is a subsidiary of INCO, \$100 million at interest rates less than commercial—indeed this is very secret and we cannot find out what that interest rate is—and in view of the fact that all these subsidiaries that have sprung up in Indonesia, New Caledonia and Guatemala are subsidiaries of the International Nickel Company and are in effect competing against themselves, is the minister prepared to drop the clause in the Export Development Corporation Act which permits that bank, using the taxes of the workers of Canada, to make loans to multinational mining companies at less than commercial rates of interest to create the eventual unemployment of those workers?

Hon. Jean Chrétien (Minister of Finance): I think that if we were to follow that type of policy and not give opportunities to developing nations—

Some hon. Members: Oh, oh!

Mr. Chrétien:—when they are involved in such operations, then we would not be exporting goods and materials produced in Canada. If we do not participate in these ventures, the development of the mines will take place anyway but there will be no Canadian participation. I am not ready to say to the nations of the world that when there is potential growth in developing nations, Canadians will run away. We have international responsibilities, and we have been blessed with natural resources, but we should not do anything which would hurt the poor nations of the world, especially Latin American nations, about which the hon. member is always very keen to talk. We are preoccupied with creating some growth for the poor around the world.