

Mining Unemployment

who have the problem. I understand that, and I am terribly concerned about it.

I hope the other employees in the mining activity there will be willing to accept the proposition of the Minister of Employment and Immigration (Mr. Cullen) who suggested that the work be shared by having a four-day week. Why not share the work with their companions in Sudbury? It will mean having a little less revenue for some time, but it is something they could do.

The member of the New Democratic Party says the government should solve all of the problems all of the time. That is one of their problems. However, it is not the mentality of Canadians.

We hope this problem will clear itself when the demand improves. However, the demand for nickel will not increase by a decree of this parliament. The Government of Canada cannot decree that mines will not be developed in Malaysia, Panama or elsewhere. If those mines are not developed by Canadians, they will be developed by the Germans, Japanese, French or English.

Mr. Rodriguez: That is INCO's argument.

Mr. Chrétien: It is an argument that makes sense. I met with the INCO people only once. I talked to them about stockpiling and so on. However, there is nothing that I, as Minister of Finance, or the government can do about the international market.

The leader of the New Democratic Party says the problem is that this company is a multinational. That makes no difference. Even if it were not a multinational, the international market would not improve. That is a fact.

The federal and provincial governments must look at the problem. We should try to find some mechanism to bring down the cost and make ourselves more competitive. However, in the case of INCO I understand it is not a matter of competition. The miners have been productive and the technology is there. The problem is a slackness in the international market.

The other argument they have put forward is that mines have been developed by INCO in Guatemala and Malaysia. Those mines are not yet in production. Therefore they are not affecting the situation today. On top of that, they have stockpiles for seven or nine months.

● (1612)

Mr. Rodriguez: I wonder if the minister would permit a question at this point?

Mr. Deputy Speaker: That could only be done with the minister's consent.

[*Translation*]

The hon. member is asking the minister whether he would accept a question. Of course, I must point out to the minister that he has only two or three minutes left. So the decision is up to him.

[Mr. Chrétien.]

[*English*]

Mr. Rodriguez: The minister stated that in the Sudbury basin we have all the technology and all the skills necessary for the production of nickel and that the reason we are in difficulty is that markets are soft. Can he tell the House why it is that the government gives companies like INCO incentives under the tax program to produce more nickel though no incentives will sell the nickel?

Mr. Chrétien: That is a question the hon. member has asked me many times. In the budget we are giving some incentives to industry to encourage more investment. If they do not make more investment they will not be able to benefit from the incentives. One of the incentives which will apply is the 3 per cent relief measure in connection with inventories. We have decided to give all Canadian companies a break because of the cost of keeping an inventory in times of inflation. Perhaps they will get some cash there, but the hon. member must keep in mind that corporations such as he is referring to still have some operations under way and that they have to be treated on a basis of equality with other corporations in the land. We cannot penalize them.

I have looked into the possibility of stockpiling. Unfortunately, it is not the solution. I believe we shall have to find other solutions along the lines of what was suggested by the Minister for Employment and Immigration, and try to organize things in such a way that the dislocation will not be too painful. There could be work-sharing programs among the miners; some of the more mobile workers should go to Elliot Lake and other places where there is a shortage of miners.

I had hoped that this debate would have produced some valid suggestions, but unfortunately the motion before us is a typical NDP motion to nationalize everything. They do not live with reality. The reality is that keen competition exists in the world and that the market is depressed. It is not because of an act of parliament or because of a vote in this House that we shall be able to force Americans to buy more nickel and improve the international situation. It is a fact of life today that nickel is much less in demand than it was two years ago.

Mr. Broadbent: Before the minister winds up his cogent, well-reasoned, and carefully thought out discourse on Liberal policy, would he be good enough to answer a further question, because he attacked a speech I never made? He indicated that I was opposed to assistance to the Third World. My colleague will deal with that statement and refute it later. The minister comes from the province of Quebec where textile manufacturing plays a leading role—

Mr. Deputy Speaker: Order, please. The minister's time has expired and he could continue only by unanimous consent. Is there unanimous consent to allow the hon. member to direct a question to the minister?

Some hon. Members: Agreed.

Mr. Broadbent: I appreciate that, and I will keep my intervention short. The minister comes from Quebec where the