

Oral Questions

any contracts they have with those countries should be filled from the nickel mines in Sudbury. Would the Acting Prime Minister tell the House whether the government of Canada agrees with these policy proposals of the Liberal leader of Ontario, and will the government of Canada direct INCO to cease all operations in Guatemala and Indonesia, that they cease to use Canadian funds for investment in those countries, and that they divert their sales contracts exclusively to Sudbury?

● (1122)

Hon. John C. Munro (Acting Prime Minister): Mr. Speaker, I suggest the figures showing the amount of money which the Export Development Corporation has lent INCO are grossly exaggerated. In fact, I have the figures here. In 1973 the Export Development Corporation lent \$17.25 million and in 1976, \$40 million for their Indonesian operation. The 1976 loan is about 40 per cent disbursed. I might say that all of these loans were made on the undertaking that the money would be used for Canadian equipment, which means jobs, about 4,500 jobs, which otherwise would not have been available to Canadians. When one takes into consideration that very pertinent fact, together with the undeniable assertion, I think, which has been made before, that if we had not lent this money somebody else would, this again redounds to the benefit of Canada in terms of the export of our technology. So all in all, I think it has been a very beneficial thing.

With particular reference to the hon. member's question, I think he would be the first to agree that as a government we do not have the capacity to give that kind of direction to INCO. Even if we did, it seems to be a strange policy to be advocated by the official opposition, who have been arguing across the country—

Some hon. Members: Oh, oh!

Mr. Munro (Hamilton East): I think the hon. member is now in fact endorsing this type of policy.

Mr. Crosbie: We want to know what your position is.

Mr. Munro (Hamilton East): If he is, it seems to be a strange type of policy, right now with high unemployment, to try to alienate the private sector, which is the very sector we are trying to stimulate to create jobs badly needed by Canadians.

Mr. Crosbie: A final supplementary question, Mr. Speaker. The Acting Prime Minister has certainly misinterpreted my question. I asked him to give me the government's response to policy suggestions made by Mr. Stuart Smith, his leader in Ontario. Mr. Smith also stated that if INCO failed to do these things there was power in the government of the province to force INCO to do them. Does the Acting Prime Minister agree that the government of the province of Ontario has power to make these directions? If not, does the government of Canada; and will the government of Canada accept these suggestions of Mr. Smith? They are not my suggestions; I am putting them forward for an answer.

[Mr. Crosbie.]

Mr. Munro (Hamilton East): Mr. Speaker, Mr. Smith asked Premier Davis to consider that. I think the hon. member might agree that Premier Davis might have the capacity to answer Mr. Smith's assertions, I do not know. That would be up to the premier of the province to whom this suggestion was directed. I have already indicated my view that I do not believe that as the federal government we have the authority to issue directives of that kind. Nor do I think it would be wise in the circumstances.

Mr. Crosbie: Would the Acting Prime Minister agree that these are irresponsible and politically motivated suggestions and that they should be—

Mr. Speaker: Order, please.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF MEMBER OF UNITED KINGDOM
PARLIAMENT, WINSTON SPENCER CHURCHILL

Mr. Speaker: Before continuing with the question period, I know all hon. members would want to join with me in recognizing the presence in our gallery of a very distinguished visitor from the United Kingdom parliament, himself a member of the United Kingdom parliament and the grandson of a very distinguished former member of that parliament. I speak, of course, of Winston Spencer Churchill, member of parliament of the United Kingdom.

Some hon. Members: Hear, hear!

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LABOUR CONDITIONS

LAY-OFFS AT INCO—SUGGESTED STOCKPILING OF NICKEL

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, in the absence of the Prime Minister I put my question to the Acting Prime Minister. Will the Acting Prime Minister contact the real Prime Minister some time today, wherever he may be, and ask him, I request most seriously, to get in touch with Mr. J. E. Carter, chairman of the board of INCO, in advance of tomorrow's meeting to deal with the INCO situation in order to make two important requests. First, will he rescind now the order announcing the lay-offs to take place in three Canadian communities in February; and second, in relation to that, will the government with INCO begin procedures now which could lead to stockpiling of material produced by INCO in Canada on the reasonable grounds that it makes more sense to put money out now, which may be regained later when we sell that, than to spend \$20 million in unemployment insurance payouts which will have to be paid if these lay-offs take place? On the grounds that we have done such stockpiling in the past for Canadian farmers, what is good for Canadian farmers surely is good for Canadian miners.