

Oral Questions

of setting aside \$200 million to be used in assisting this area in Quebec's heartland, when the heavy water plant we had started to build had to be abandoned because of a drop in demand for heavy water, and the Quebec government decided not to proceed with the nuclear energy project. So the plant was abandoned because there was no demand for heavy water, and subsequently the Canadian government set aside \$200 million to help the area in question. I would like to point out that for three or four years we have been ready to discuss the matter and to have consultations, and it was impossible to reach an agreement quickly. In any case, the fund was set aside for the benefit of the people of the area, and the government of Canada will decide how its own funds will be spent for the benefit of the area, and my colleague, the Minister of Energy, Mines and Resources is looking into this matter at the present time. We already allocated nearly \$10 million from the fund a few months ago, and my colleague intends to proceed quickly with further allocations in the months to come. This may be done in consultation, there is nothing against that, but I would like to make it clear that the Minister of Energy, Mines and Resources and the government of Canada will decide how these funds are to be allocated.

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[English]

FORESTRY**INQUIRY RESPECTING GOVERNMENT PROGRAMS AND POLICIES**

Mr. Lyle S. Kristiansen (Kootenay West): Madam Speaker, my question is addressed to our new super star in waiting, the Minister of State for Economic Development. With our number one export industry, the forest industry, now operating at less than two-thirds of capacity across Canada with over 30 per cent of forest workers unemployed, and in view of the government's self-admitted failure regarding the Employment Bridging Assistance Program which has in B.C., for example, created only 15 per cent of the promised 10,000 jobs, what new programs, if any, does the Minister and the Government now have to get forestry workers through this winter, and what new policies does the Minister now propose to ensure that there is employment and needed forestry work done in the industry next spring to meet both Canada's wood supply shortages and future market expansion needs?

Hon. Donald J. Johnston (Minister of State for Economic Development and Minister of State for Science and Technology): Madam Speaker, in these new responsibilities which I have assumed, Members may rest assured that the regional sensitivities of all areas of the country—and the Hon. Member refers particularly to his own—are under most serious consideration by all the Departments that can make a contribution within the area of economic development and within the Committee on Economic and Regional Development, of which I am the Chairman. With respect to specific programs, they will, of course, be announced from time to time, as they have been and will continue to be, by the Ministers who have specific responsibilities in these areas.

FOREIGN INVESTMENT REVIEW AGENCY**REQUEST FOR INVESTIGATION OF SALE OF CROWN
ZELLERBACH COMPANY**

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, my question is for the new Minister of Industry, Trade and Commerce. Crown Zellerbach, the second-largest forest producer in Canada, is now being sold. This is the third major forest company controlled from the U.S. to be abandoned by a U.S. parent. The fire sale of U.S. companies operating in Canada appears to be the prelude to a collapse of the Canadian forest industry rather than a prelude to a period of recovery. Would the Minister investigate the loss of international marketing of Canadian forest products in Canada, and would he further be prepared to intervene through FIRA to investigate whether this sale of Crown Zellerbach is being undertaken in the best interest of Canadians?

Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, I was just advised of this take-over this morning. As we all know, all foreign take-over applicants must go through the FIRA process. I will be discussing this matter with the FIRA officials in the next couple of days.

With respect to international marketing in forest products, the industry and the Government have made substantial progress in the last couple of years. My colleague, the new Minister of State for International Trade, and I will be working very closely together to expand international markets for Canadian forest products.

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LABOUR CONDITIONS**WEST COAST WORK STOPPAGE—MINISTER'S POSITION**

Mr. Charles Mayer (Portage-Marquette): Madam Speaker, my question is for the Minister of Labour. It concerns the work stoppage on the West Coast that has halted the exports of Canadian grain, sulphur, potash and coal. The Minister will know that in addition to the jobs lost in the port areas there are presently thousands of other Canadians who have lost their jobs. This situation unfortunately is at a time of record unemployment. First, does the Minister specifically think that the difficulties between labour and management justify the damage that is being done to the total economy? Second, how long is the Minister prepared to wait before the Government gets involved directly?

Hon. Chas. L. Caccia (Minister of Labour): Madam Speaker, in reply to the Hon. Member's question, because of the concerns he expressed about the repercussions, not only on the incomes of the harbour workers' families, but also on the incomes of those in the affected industries, including the ones the hon. member mentioned, I sent a telex on Monday to the two parties involved urging them to reconvene their meetings