

Inquiries of the Ministry

Minister of Industry yesterday and a denial of the statement of the minister of forestry, or vice versa.

Mr. T. C. Douglas (Burnaby-Coquitlam): A supplementary question, Mr. Speaker. May I ask the Prime Minister or the minister of health and welfare whether they can give the house any report regarding the discussions which were held yesterday with the government of Nova Scotia and other interested parties in connection with the closing of the steel mill at Sydney, particularly with reference to the suggestion made by the premier of Nova Scotia that his government would be prepared to pay part of the losses sustained in keeping the steel mill in operation until the end of April.

In view of the fact that it may be important to buy time until a more permanent solution can be found, is the government of Canada prepared to pay any part of the losses which may be involved in keeping this plant going for some time until a proper solution is found?

Hon. A. J. MacEachen (Minister of National Health and Welfare): Mr. Speaker, we did have a meeting in Sydney last night which lasted for quite a long time. It made possible a very long and detailed discussion about the problems that affect this particular plant, especially the notices of lay-offs.

The premier of Nova Scotia informed the meeting that he had arranged for discussions with the officers of Dosco on Thursday, at which time he intended to discuss the possibility of extending the time for another four months and to indicate that the government of Nova Scotia would consider if necessary the payment of any losses suffered by the corporation during that period. The premier indicated that he proposed to ask the government of Canada to share in any such losses. I assured the meeting and the government of Nova Scotia, as did my colleague the Minister of Energy, Mines and Resources, that we would report this request as quickly as possible to the cabinet, and that the matter would be given the most careful consideration. Of course we also undertook that we would arrange early next week, following the meeting of Thursday, a further meeting between the government of Canada and the government of Nova Scotia.

Mr. Douglas: A further supplementary question, Mr. Speaker. Stories have been carried on radio and television to the effect that some parties are interested in acquiring the

steel plant with the idea of keeping it in operation. Have these inquiries come to the attention of the government? Is the government pursuing them? Is the government prepared, in the event that some of these parties are interested in operating the plant, to render any financial assistance that may be necessary to keep it in operation?

Mr. Starr: A supplementary question, Mr. Speaker—

Mr. Douglas: Mr. Speaker, I had asked a question.

Mr. Speaker: Order, please.

Mr. Douglas: I rise on a point of order. May I ask whether the minister has an answer to my question? I asked whether the government has received inquiries from persons who might be willing to take over the steel plant and operate it.

Mr. MacEachen: Mr. Speaker, those attending the meeting last night disclosed, I believe, that there has been an exploratory exchange between Japanese interests and the government of Nova Scotia. As I say, I believe the exchange was exploratory and was being followed up by the minister of trade and industry in the province of Nova Scotia.

Mr. Douglas: What about the Toronto interests? Is there any word from the group in Toronto that has indicated its interest?

Hon. Michael Starr (Leader of the Opposition): May I direct a supplementary question to the Prime Minister. It has not been made clear whether the federal government is willing to sit down with Dosco officials to discuss the ramifications of this situation and endeavour to find a way out. My question is this. Is the Prime Minister going to see that this is done, or is everything to be left entirely to the provincial government, for it to take the initiative in this matter?

Mr. Pearson: Mr. Speaker, in a case of this kind where a particular concern is affected in a particular province—here it is a particular factory—the primary and immediate responsibility belongs to the government of the province. The government of the province has taken the responsibility, and we are co-operating and will continue to co-operate with the province in every appropriate way to assist in finding a solution.

Mr. Starr: A further supplementary question, Mr. Speaker. Does not the Prime Minister think that unemployment in Canada is a