

*Oral Questions***THE ADMINISTRATION****CAPE BRETON COAL AGREEMENT—DEPUTY PRIME MINISTER'S AWARENESS OF PROJECT**

**Hon. Ray Hnatyshyn (Saskatoon West):** Madam Speaker, in the absence of the Prime Minister I would like to address my question to the Acting Prime Minister. With respect to the Gillespie scam, I wonder if the Acting Prime Minister would inform the House of the first time the Deputy Prime Minister became aware of Mr. Gillespie's involvement in getting together a consortium for the coal liquefaction project in Nova Scotia.

**Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs):** Madam Speaker, that question was raised yesterday, and I indicated to the House, I believe it was Monday of last week, that I knew about this facility before the announcement which was made in April. I knew that it was being considered by the Department of Energy, Mines and Resources, and it was explained yesterday by the Minister of Finance in reply to another question—

**Mr. Nielsen:** You tell us.

**Mr. MacEachen:**—but to the best of my recollection I first heard about Mr. Gillespie's interest in the possibility of a facility for coal liquefaction in Cape Breton in June, 1980. That is almost a year before the announcement was made. It is not surprising that I would know about it at that time because Mr. Gillespie had been in consultation in May with the Province of Nova Scotia about the matter, with the Premier, and with the relevant Minister in that Province. Therefore, it was quite natural that I should know about it almost as quickly as the Premier of the Province.

**ROLE OF DEPUTY PRIME MINISTER**

**Hon. Ray Hnatyshyn (Saskatoon West):** Madam Speaker, I thank the Acting Prime Minister for clarifying one aspect of the Deputy Prime Minister's knowledge of this matter. However, I would like to ask him if he will undertake to obtain from the Deputy Prime Minister a letter outlining the details of the Deputy Prime Minister's involvement in this matter, including all contact which the Deputy Prime Minister had with the Minister of Energy, Mines and Resources, and departmental officials, with respect to this project? Will he undertake to have a letter delivered to the Prime Minister from the Deputy Prime Minister outlining the Deputy Prime Minister's involvement in this matter, including telephone conversations?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs):** Madam Speaker, it will be unnecessary for the Acting Prime Minister to get in touch with the Deputy Prime Minister.

**Some Hon. Members:** Hear, hear!

**Mr. MacEachen:** I have answered questions on this point on two occasions, and I can answer the Hon. Member's question

very quickly by saying that there were no discussions, telephone conversations, or letters between myself and the then Minister of Energy, Mines and Resources, nor were there any discussions with departmental officials at any time on this particular matter. All the documents from the Department have been laid out. The Hon. Member must have examined them. If he finds any correspondence from me, I wish he would draw it to my attention.

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**AGRICULTURE****STATIONING OF RESEARCHERS IN WEST**

**Mr. S. J. Korchinski (Mackenzie):** Madam Speaker, my question is directed to the Minister of Agriculture. In the absence of plant breeders' rights, but more particularly, because of the Pepin proposal which suggests taking hundreds of millions of dollars from western Canada, which revenue either will have to be made up by increased production or by different varieties which are frost free, and so on, does the Minister still intend to deprive western Canada at the end of this month of researchers who will be needed in order to produce this type of income which is going to satisfy the Pepin proposal? And for what reason are some of them being transferred to eastern Canada?

**Hon. E. F. Whelan (Minister of Agriculture):** There are some 14 positions which they talk so much about and how bad it is that they are going to be transferred to eastern Canada. When I transferred 70 people to western Canada from eastern Canada, no one said a word about it. The Easterners did not complain and the Westerners did not say thank you for it. I feel that is not bad for Canada, Madam Speaker, as far as that goes. Then someone reports they are releasing 14 positions, but they are not changing one person from western Canada to eastern Canada under that proposal. We are concentrating in the area of food processing and that type of thing.

● (1450)

The Hon. Member made a statement about the Pepin plan. If he is talking about that long awaited and needed change in the Crow rate, I can tell him that I am 100 per cent behind the Minister of Transport on that program. It is one of the best things that ever happened. The Hon. Member might want to study and learn about it.

**Some Hon. Members:** Hear, hear!

**DEPLOYMENT OF RESEARCHERS**

**Mr. S. J. Korchinski (Mackenzie):** Madam Speaker, western Canada has 80 per cent of the cultivated land in Canada and there is one researcher for 250,000 acres in western Canada. There is one researcher for 106,000 acres in Ontario, and one researcher for 76,000 acres in Quebec. Why