

A. V. Roe Head Denies Layoff Was Intended To Be Embarrassment

London, Feb. 24 (Reuters)—Sir Roy Dobson, chairman of A. V. Roe (Canada), tonight denied the Canadian company's decision to dismiss 14,000 employees was intended to embarrass the Government, as alleged by Prime Minister Diefenbaker.

In a statement, Sir Roy said that the decision was forced upon the company by the Canadian Government's failure to take it into its confidence and give it reasonable advance notice of its intention to cancel the program for the Avro Arrow supersonic jet fighter in favor of U.S. guided missiles.

"Our company was told that the decision whether or not to proceed with the project would be taken by the end of March," he said.

"Suddenly, out of the blue, before the end of February, the Government announced the decision to scrap it, and issued orders to the company by telegram to stop all work in its plants, also in those of its suppliers and sub-contractors."

No mention was made of compensation for those who, as a result, would be out of a job, he said.

"In such circumstances, what could the company do?"

"They could not have thou-

sands of workers in their plants with no work to do and could not, in all fairness to their shareholders — including thousands of Canadian citizens — incur the expense of carrying on normally when they knew that the bottom had fallen out of their main project."

Referring to the prime minister's statement that the company knew that millions of dollars would be made available to give the workers three weeks' pay as compensation for loss of employment, Sir Roy said that this made it quite clear that the Government realized the consequences of its cancellation of the Arrow project.

"So why did they now express surprise at the unemployment which their own decision had caused?" he asked.

"It will probably prove to be a big mistake in any case whether in Canada or in the United Kingdom, to put all our reliance in defense in guided missiles as against manned aircraft of the most advanced design and capacity," Sir Roy went on.

"In this case, we could not help feeling that the authorities have been more than a little precipitant in making their decision and astonishingly abrupt in their manner of announcing it."