

Plan Covers 1,000 More, MPs Told

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Ottawa, Feb. 27—The Government and Avro officials have worked out a program to keep together the nucleus of design, research and technical staffs of Avro Aircraft and Orenda Engines for the next six months.

The Government has agreed to pick up half the payroll costs of technical work done by these skilled engineers in the next six months. Cost to the Government will be about \$3,500,000.

Finance Minister Fleming told the Commons about 1,000 men would be covered initially. The aim was to provide steadily increasing employment.

He said addition of the technical staff would increase the number of men working at the two Malton plants to about 3,000. More than 2,000 persons had been called back this week after the company's general dismissal order last Friday.

The agreement apparently was reached during the third day of talks between Crawford Gordon and five cabinet ministers. But results were so closely guarded that when Mr. Gordon left last night it was interpreted as a sign that negotiations had broken down.

Mr. Fleming, subbing for Prime Minister Diefenbaker who stayed home in an effort to shake a cold, said the core of the technical staff had to be held together if the company was to develop new programs.

He indicated the cost-sharing plan was a stop-gap arrangement.

Liberal Leader Pearson and CCF House Leader Hazen Argue, charged again that the Government should have been talking to the companies and considering proposals long before the Arrow cancellation was announced.

Mr. Fleming revealed suggestions by Avro officials for work on military and civil aviation and nuclear power.

This last proposal would involve Avro and Orenda in production of parts for nuclear reactors.

At the end of six months Mr. Fleming said, some of the companies' projects should be substantially advanced.

The companies had agreed to vigorously explore the possibility of obtaining U.S. defense procurement orders under the new arrangements for production sharing.

Mr. Fleming told Gordon H. Aiken (PC, Parry Sound-Muskoka) the Orenda Engines testing establishment was included in the payroll sharing program.

While Mr. Fleming was officially chided by Mr. Pearson and Mr. Argue other Opposition members shouted their dissatisfaction across the Commons. One shouted: "We want results not propaganda," as the finance minister rose to reply to the two leaders. His rebuttal was cut off by Mr. Speaker Michener.

Mr. Argue said the announcement offered little comfort for the 13,800 people laid off.