

Forget Arrow, Turn To Missile Development Pearkes Urges Canada

By WILLIAM MCGUFFIN
Star Staff Correspondent

Ottawa, Feb. 25 — Defence Minister Pearkes last night indicated Canadian industries will be given a chance to "get in on the ground floor" of development of new missiles in co-operation with the U.S. He was being interviewed on TV.

While it was too late for Canadian companies to participate in the planning of the Bomarc missile, to be adopted by Canada in place of the scrapped Avro Arrow. "We have to get in on the next stage — the anti-missile missile," he said. "If we hold back too long we will be left out."

He also raised the hope that the 12 per cent. U.S. restriction on government spending in foreign countries would not be applied to defence purchases from Canada. This regulation specifies that for a foreign firm to win a government contract, its price must be 12 per cent. below the lowest U.S. tender.

U.S. Officials Told

U.S. defence officials may be told "not to look too strictly at this," said Mr. Pearkes and that they must give Canadian industry "every opportunity."

He also held out the hope that Canadair Ltd., Montreal, may yet sell military aircraft to the U.S. When it appeared the Canadian company was successful in its bid on a large quantity of Argus anti-submarine aircraft to the U.S., Washington officials gave an American firm 60 days to submit a similar proposal. This deal "is not closed yet," Mr. Pearkes emphasized.

Many of the 13,800 Avro workers laid off because of the Arrow cancellation will find other jobs in the near future, Labor Minister Starr stated yesterday.

"Every possibility" is being canvassed by the labor department to place "as many as possible as quickly as possible," he told the House of Commons, "and there are indications already that a substantial number will find alternative employment almost immediately."

Insofar as the skilled engineering personnel are concerned, he added, "it is not anticipated that there will be any serious difficulty."

CCF Leader Sceptical

CCF House Leader Hazen Argue asked sceptically how Mr. Starr could "hold out such a good hope" when his department has "failed so miserably to find employment for the half-million Canadians now unemployed."

Asked by Hon. Paul Martin about Premier Frost's proposed conference to help the Avro workers, Mr. Starr declared: "This government is prepared to meet at any time with any government or agency."

J. R. Garland (Lib., Nipis-

TUESDAY DOINGS IN PARLIAMENT

By THE CANADIAN PRESS
Ottawa, Feb. 24:

Labor Minister Starr expressed optimism that a "substantial number" of the 14,000 laid-off Avro workers will find alternative jobs "almost immediately."

Senator David Croll (Lib., Ontario) said the Arrow cancellation was the death knell of the last vestige of Canadian autonomy in military defence.

Senator Cyrille Vaillancourt (Lib., Quebec) urged a national campaign to remove obscene literature from newsstands, including jail terms for publishers and distributors.

French-speaking Liberals criticized Quebec's Duplessis government for not entering the Trans-Canada highway agreement.

Commons members urged widening of qualifications for fisheries improvement loans and that features of this federal aid be publicized more among fishermen.

External Affairs Minister Smith announced Canada has sent the U.S. an aide-memoire protesting any further water diversion from the Great Lakes at Chicago.

(sing) asked what attitude would be adopted by Central Mortgage and Housing Corp. toward Avro workers who cannot maintain mortgage payments.

Works Minister Green said each individual case would be dealt with on its merits, as is usual with the crown corporation. "I think the member will agree the attitude of the corporation throughout has been extremely fair," he added.

Sees "Brutality"

In the senate, Sen. David Croll attacked the government for the "harsh brutality" with which it cancelled the Arrow program. "The Diefenbaker vision of a greater Canada has become a nightmare," he said.

It sounded the "death knell" of both thousands of jobs and "the last vestige of Canadian

autonomy in military defence," said Sen. Croll.

"We are hog-tied to the Americans," he went on. "We are about to be integrated into the gigantic military complex of the U.S."

The government has told Canadian firms they can seek U.S. defence work, he stated. But to accomplish this "they have to by-pass the Buy American act, out-lobby the U.S. aviation and electronic lobby, and overcome the politicians who have between 5,000,000 and 6,000,000 unemployed in the U.S."

Proposes Road Program

A federally sponsored highway construction program, aimed at both increasing tourist and commercial traffic and easing unemployment, was proposed yesterday by Mr. Argue.

The house approved a government bill raising the 50 per cent. federal contribution to the Trans-Canada highway, scheduled for completion next year, from \$250,000,000 to \$350,000,000.

External Affairs Minister Smith tabled the text of a Canadian note, sent to the U.S., which registered opposition to a congressional plan to divert more water from the Great Lakes at Chicago.

During the highway debate, Adrien Mennier (Lib., Papineau), charged the Quebec government, the only provincial government which did not agree to participate with Ottawa on the Trans-Canada highway, had stayed out because it would have had to call tenders on the construction.

Noting the federal-provincial agreement calls for public tenders and specifies standards for the work, the Quebec member said this would "embarrass" the Duplessis government.

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