

# Diefenbaker, Machinists Meet Today

By CLARK DAVEY

Globe and Mail Staff Reporter

Ottawa, Feb. 24 — Cabinet ministers and Avro officials failed for the time being tonight to produce a concrete alternative to the cancelled Arrow program.

But there were indications that the fate of the Avro aircraft industrial complex is still teetering in the balance.

Two new meetings between Avro President Crawford Gordon and Prime Minister Diefenbaker tentatively scheduled for late this afternoon and tonight were finally put off at least until tomorrow.

A spokesman in the prime minister's office said it was unlikely that Mr. Diefenbaker and Mr. Gordon would get together again until some definite proposal had been worked out in the discussions between Mr. Gordon and Avro vice-president Fred Smye and Defense Minister Pearkes and Defense Production Minister O'Hurley.

The mere fact that meetings with the prime minister had been scheduled, even though they were later cancelled, raised hopes that the cabinet-company discussions were close to producing some definite alternative for the consideration first of Mr. Diefenbaker and then the entire cabinet.

When the prime minister left his centre block office for dinner at his Sussex St. residence the arrangement was that he would be available on 15 minute's notice to see Mr. Gordon if a proposal was made tonight.

But with Mr. Gordon still in discussions with Defense Minister Pearkes and Defense Production Minister O'Hurley at 8:30, the prime minister's office announced that there would be no meeting between Mr. Diefenbaker and the Avro president tonight.

When tonight's discussions broke up, all the principals would say was that today's meetings had been interesting and that they would resume in the morning. They refused to say whether or not any progress had been made.

Transport Minister Hees, whose department would be involved if arrangements were being discussed for a contract for civilian aircraft for TCA, joined his cabinet colleagues for tonight's meeting.

Meanwhile in the Commons there was considerable optimism about immediate job prospects for a large number of the 13,800 Avro and Orenda last September that the Arrow Engines employees dismissed last Friday.

Labor Minister Starr said the Government didn't anticipate that the highly trained and skilled engineering personnel of the company would have any serious difficulty finding new jobs.

He added that a substantial number of workers in other classifications—specifically mentioned were clerical and technical employees—should find work almost immediately.

Prime Minister Diefenbaker said he understood that about 2,000 Avro employees had been called back on a short-term basis for cleanup work.

His first meeting today with Mr. Gordon and Mr. Smye, only explored the possibilities of alternative work for the company, the prime minister reported.

Then, while the company officials hustled off to meet other cabinet ministers individually, an atmosphere of "where do we go from here, boys?" was created.

Early tomorrow the prime minister will meet the International Union of Machinists which represents a large number of the skilled Avro workers. Uppermost in many minds today was the fact that the meet-

ings with the company officers were taking place against the background of the stinging rebuke unleashed against both the company and its officials in the Commons by the prime minister Monday night.

Mr. Gordon, who managed to dodge newspapermen most of the day, said only: "I can't make any comment at all." He brushed past reporters after the 70-minute morning session with the prime minister and five other cabinet ministers.

Later in the day, Mr. Gordon spent nearly an hour with Defense Production Minister O'Hurley and senior officials of his department.

"The company has been asked to submit its alternatives," Mr. Diefenbaker answered CCF House Leader Hazen Argue in the Commons. "Discussions will continue later today."

During Monday's debate, Mr. Diefenbaker said senior Government officials had taken a cautious approach to the only previous recent bid by Avro for alternative work. Under this proposal the company wanted \$30,000,000 in federal funds for development of a short range jet aircraft to replace TCA's Viscounts. It also required a TCA order of 25 aircraft in order to meet a price of \$2,500,000 per aircraft. TCA buys its Viscounts from England for a little more than \$1,000,000.

Liberal Leader Pearson suggested to Mr. Diefenbaker that today's discussions would have been more valuable had they taken place before the cancellation.

"A month ago," suggested William Benidickson (L, Kenora-Rainy River.)

Mr. Diefenbaker said he thought he had covered that situation last evening, a reference, apparently, to his claim that company had known since last September that the Arrow program was dying and had not come up with any practical alternative.

Another attack on the Avro problem may come from a meeting of Federal and Ontario officials. Mr. Starr told Paul Martin (L, Essex East) the Government was ready to meet any government or agency to discuss further employment. He added that he was sure the efforts of Premier Frost would bear fruit.

Mr. Starr told Alexander Best (PC, Halton) his department was checking every possibility to place as many of the Avro employees as quickly as possible.

Fifty officers of the Unemployment Insurance Commission sent to Malton yesterday processed 2,000 claims and will remain there through Wednesday.

UIC regional headquarters in Toronto is contacting employers across Canada with lists of Avro workers, their experience and qualifications.

"In one word," he added, "the full resources of my department and the Unemployment Insurance Commission are being made available to this particular problem."

Mr. Starr fenced briefly with Mr. Argue who questioned the Government's ability to find alternative work when it had been unsuccessful in providing work for more than 500,000 other Canadians.

Mr. Starr said emphasis on the placing service within the commission had placed more people in December than since 1952 and more in January than since 1954.

Unemployment figures are much lower than they would have been if the placing effort had not been made, he continued.