

Oral Questions

I want to remind him that those were the questions asked by the Liberals in those days. As a matter of fact, the hon. member for York Centre stood at the gate handing out pamphlets to the workers, telling them that they were all going to lose their jobs because of privatization.

Let me give the hon. member the facts today, and I will be very accurate with them. In 1985 employment there was 4,290. Today it is 5,813.

Some hon. members: Hear, hear!

Mr. McDermid: They are developing new planes there. There is new technology being developed there. Their sales have doubled and their order books are full. They are doing a very fine job not only at de Havilland but in Arnprior in the Ottawa Valley and in Winnipeg as well.

It has been a good deal for Canada. Yes, we are negotiating with Boeing on cleaning up some of the final negotiations on the agreement. When they are ready and the deal is finished, we will announce it.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, my question is directed to the Prime Minister.

In an interview with Pamela Wallin on December 20, 1985 the Prime Minister of Canada said at that time: "The Government of Canada has not run the taxpayers' business very well. Why should we be in the business competing with the private sector losing \$1 billion? We want to save those jobs in Toronto. We want to protect that technology."

The Prime Minister went on further to say: "The state should not have a primary role where the private sector can do a better job. We shouldn't be subsidizing with your tax dollars a Crown corporation to compete with the private sector".

After making these statements why is the Prime Minister's government going to bail out Boeing and give it another shot at the trough after privatization, to the tune of \$150 million of taxpayers' money here in Canada?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, there is no bailing out here whatsoever.

A deal was consummated between the Government of Canada and de Havilland back in 1986. The deal at that time was very complete. Many changes were required in

the operations of de Havilland to ensure that the company could become viable over the long term.

Part of that potential settlement relates to items we specifically agreed to cover, as well as other categories of potential liabilities, which is normal in any kind of a deal. That is what the negotiations are about. There is no such thing as a bail-out. That is nonsense.

Mr. Barrett: Mr. Speaker, I want to thank the Prime Minister for his answer!

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, the minister who responded to my question to the Prime Minister neglected to mention that at the current moment lay-offs are taking place at the plant. At the current time there are subcontracts and contracts going out to South Korea, China, Egypt and the United States.

Will the Prime Minister tell us and the Canadian people why it is necessary to use taxpayer's dollars to subsidize jobs in these other countries while lay-offs are taking place and money is being shoved out?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, that demonstrates why that individual was a premier of a province for three short years. The people in British Columbia smartened up pretty quickly by booting him out.

What nonsense. None of this money goes to subsidize jobs in other countries at all.

Mr. Barrett: You are contracting out.

Mr. McDermid: As a matter of fact, de Havilland is selling planes made in Canada in all those countries he talks about. There are something like 1,600 more jobs today at de Havilland in Toronto.

Mr. Barrett: They are contracting out.

Mr. McDermid: Those people are paying taxes. They are gainfully employed.

Speak to your union friends in Toronto, ask them how they like the jobs. They like it very well, thank you very much.

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CENTRAL EUROPE

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Prime Minister. President Bush's announcement yesterday of new initiatives for the withdrawal of American troops from central Europe was just