

*Labour Crisis in Aircraft Industry*

had been made, there was a paragraph in the *Ottawa Citizen* of November 13 which I think fairly reflects the general situation. That paragraph was under the by-line of Mr. Don Brown, who had been doing a series of articles on this matter. He had been very well briefed and he said:

There is a growing feeling in the R.C.A.F. and in the aviation industry that (the government) will take another look at the situation and reinstate a production program of manned aircraft to carry the R.C.A.F. through the transition period from the manned to the guided missile.

Then we know what happened. Without warning, without discussion with the industry, without any opportunity being given to discuss these matters in parliament, rejecting the request that we had made in the opposition for a complete and searching inquiry into these defence matters, indeed, without making any reference to these requests which had been made on this side on more than one occasion, the Prime Minister issued his bleak and negative statement of last Friday, a statement which the company learned of from the columns of the press. That, Mr. Speaker, is our major indictment of the government in regard to this matter. There were no discussions, no planning, no alternative except in words in a statement, and certainly the statement of the Minister of Defence Production has provided no alternative of any kind today. The sudden, irrevocable—or perhaps it is not irrevocable, perhaps it is not too late yet—almost brutal decision which put 15,000 men out of work in a few hours was made because, said the Prime Minister, "This project was overtaken by events".

I ask the Prime Minister, did he and his government try to direct, to manage, to cushion the impact of those events so that if this decision had to be made it could have been made in a more efficient and in a better way than it was made by this sudden statement last Friday? The hon. member for Trinity (Mr. Hellyer) has already emphasized this. Could the members of the government not have got together to see if something could not have been worked out so that there would not have been this sudden dislocation in this vital defence industry?

What were the reasons given in the Prime Minister's statement as to why this had to be done, reasons which were in some respects repeated by the Minister of National Defence this afternoon? The Prime Minister said, as reported at page 1221 of *Hansard*:

Thus the threat against which the CF-105 could be effective has not proved to be as serious as was forecast.

The Minister of National Defence underlined and emphasized this reassuring observation this afternoon, but he did not give us

[Mr. Pearson.]

much evidence except that Mr. Khrushchev had said the manned bomber is not as dangerous as it was. I do not believe the Minister of National Defence is so naive that he is going to base the defence policy of our country on statements by Mr. Khrushchev. The Prime Minister also said, and I am quoting again from his statement of last Friday:

During 1959 and 1960 a relatively small number of modern bombers constitutes the main airborne threat.

The Minister of National Defence repeated these reassuring words this afternoon; but I would like to know the evidence for that because while this undoubtedly may be true—and I know there is much information that the minister cannot possibly give the house and we are not asking for it—I also have read all the proceedings of the hearings of the congressional committees on defence, both in the senate and in the house of representatives, dealing with this question, and some of the senior serving officers of the United States armed forces do not have that kind of reassuring view of the offence capabilities of the modern soviet bomber.

Then the Prime Minister went on in the statement to say:

It is considered that the defence system of North America is adequate to meet this threat.

That is, the threat of the bomber, not, of course, of the missile. Perhaps we will be told in plain terms what is meant by the statement that the defence system of North America is adequate to meet this threat.

I should like to quote back, if I had the time, some observations that the minister made in the estimates committee in regard to the nature of this threat and in the inevitability of some bombers getting through. The minister said this afternoon—and I am paraphrasing what he said; I hope I will not do him an injustice and if I do, I am sure he will interrupt me—if the Russians, however, change their plans and their production plans in regard to jet bombers and if they should manufacture new ones, or if they add to the Bisons and Bears which they now have, then, of course, we can alter our plans, too. No doubt by "we" he meant North America. If something is not done, Mr. Speaker, it will be too late to alter any plans in so far as the CF-105 is concerned.

Now from these statements surely we are entitled to draw the conclusion that this decision, when it was made last Friday—now, I am not talking about the way in which it was made—must have been based, as the minister himself said at the very end of his statement, on strategic considerations as well as on financial considerations. We would