

*Canadair Limited Divestiture Act*

industry, thanks to the efforts initiated by the previous Government in the seventies.

Members will recall that the Liberal administration bailed out de Havilland and purchased the company in 1973 to save thousands of jobs in the industry in Canada. When the same situation arose in Montreal at Canadair, the Liberal Government at the time—this was in 1976—had no hesitation in intervening to save well-paid and interesting jobs at Canadair in Montreal.

At the time, we were taking over a company that was ailing, but since then, the company's administrators and its employees have made it a flourishing concern.

In fact, Canadair has become the cornerstone of the aerospace industry in Quebec, and during the past three years, its net profits have totalled several million dollars.

Unlike the Conservatives who at the time—this was in the seventies and the beginning of the eighties—were constantly criticizing the Liberal Government's attempts to support both de Havilland and Canadair, we have always believed in the future of these two companies, and especially Canadair. That is why we never had any hesitation in investing substantial amounts of money to provide a sound basis for the company's development.

Before I go any further, I would like to say that on this side of the House, we are delighted—as was the Hon. Member for Saint-Jacques (Mr. Guilbault), the party critic on this matter—with the sale of Canadair to Bombardier. Canadair, Quebec's aerospace motor, will be owned by another giant of Quebec's industry, and we are very happy indeed.

We are particularly pleased to see that the Government did not repeat the mistakes it made when it sold de Havilland. It seems that for once, by selling Canadair to a Canadian company, it has acted to protect the interests of Canadians instead of those of our neighbours to the South.

I am sure that Bombardier, a pioneer in the transportation field, will be able to diversify its capabilities and skills through its involvement in aircraft after having manufactured snowmobiles, locomotives and all-terrain vehicles. I have no doubt that the company's administrators have the ability to make Canadair a success.

And that, Madam Speaker, is as far as my words of praise go. Unfortunately, they must stop here. Once again the Conservative Government has shown its true colours in handling this deal—incompetence and carelessness—shrouded in haziness as it is. First, why did the Government give confidential information to the competitors? Second, why did the Government sell without first making sure that long-time Canadair employees, some with at least ten years' seniority and others with as much as twenty or even more, would be adequately protected? How could the Government make this sale without any concern for the job security of these people? Third, why did the Government not come clean with respect to the sale price and the assets transferred to Bombardier?

One very unclear aspect of this deal is this: did the buyer actually pay the price that was supposed to be paid for the corporation?

Fourth, why did the Government mishandle the F-18 maintenance contract so badly that in many regions of the country, at least among the Halifax company workers and those of the Winnipeg firm who were misled in the contract awarding process, people are now convinced that the Government made an outright gift to Bombardier in its selection of the successful bidder? Why did the Government so bungle and mess up the awarding of this contract? As I see it, those are the four questions which have yet to be answered and which account for the fact that this deal and this Bill are not as open and as clear as they should be.

If I may go back in time, to October 1984 to be precise, when we first heard that the Government was going to put Canadair on the block, the newly-elected Conservatives appeared to be in such a hurry that we could have expected the matter to be resolved very quickly. Unfortunately such was not the case and, as a result of endless foot dragging, we had to wait for more than two years before the Government introduced this Bill to finalize the sale of Canadair.

Now then, let us first consider the consequences of this ideological haste in the early years of this new political regime which simply had to get rid of all Crown corporations regardless of cost, circumstances or terms. The one-track mind Conservatives were determined to get rid of all Crown corporations.

What happened however is that the so-called Gulfstream case turned out to be an absolutely appalling experience for Canadair employees. As we recall, American-owned Gulfstream asked to see Canadair facilities. Should anybody be unaware of the fact, Gulfstream happens to be Canadair's main competitor on the jet and turbojet aircraft market, and its G-3 and G-4 products directly compete with Canadair's Challenger 601. Indeed, both Gulfstream and Canadair practically have the same customers.

In May 1985, Canadair board directors felt that this way Gulfstream might too easily acquire strategic data, so they unanimously refused to let Gulfstream gain access to confidential information such as the list of clients, marketing plans, research projects, customer service programs, future works, in short nothing less than the whole corporate planning of a concern in direct competition with similar companies. But what is absolutely incredible is that the Conservative Government, through Canada Development Investment Corporation which is the parent corporation of Canadair, ordered Canadair's Board of Directors to reveal all this information to Gulfstream, its competitor. With the list of its customers in its possession, Gulfstream, as early as July 1985, sent to the customers of Canadair a telegram totally detrimental to the sales of Canadair, and I should like to quote this telegram which is quite revealing and demonstrates to what extent this Conservative Government is either naive or incompetent. I quote: