

Chrysler Canada

Canada and the United States closer to the relationship between sales in Canada and the United States.

In addition to the federal package I have just outlined, the Ontario government has obtained the agreement of Chrysler Canada to establish a research and development facility related to aluminum and plastic applications. This facility will represent an investment of \$20 million, of which Ontario will provide \$10 million in the form of a grant.

[Translation]

In short, Madam Speaker, the federal government's decision to grant Chrysler loan guarantees of \$200 million in return for investments of about \$1 billion before 1985 will help save 40,000 jobs distributed across Canada. For example, at least 4,000 people are employed by Chrysler dealers in Quebec only, not counting the employees of Chrysler parts suppliers in that province. This decision fits into a national industrial policy which emerged recently in the electronic and aeronautical sectors and of which one of the main objectives is to ensure balanced development of all areas of Canada.

Although some risk remains I believe that on the whole the result of our negotiations with Chrysler is an equitable arrangement for Canadian workers and for the economy of the whole country.

[English]

I want to repeat that, while an element of risk continues to exist and while there are serious problems of adjustment in the entire North American automotive industry, I believe our negotiations have resulted in a fair deal and, therefore, a good deal for Canada's economy and Canadian workers.

Some hon. Members: Hear, hear!

Mr. Bill Kempling (Burlington): Madam Speaker, the minister has just taken 15 minutes to read into the record a press release that was made last Saturday. I wonder, other than wasting the time of the House, why he did this.

Mr. Laniel: So that you would have all the facts.

Mr. Kempling: The facts were available in the minister's statement on Saturday. They were covered in the Saturday, Monday and Tuesday newspapers. I am quite amazed that the minister would rise today and make the statement he did. In fact, we did not get a copy. We were not made aware that he would make a statement in the House until question period had begun. Usually it is courteous to inform members in other parties ahead of time that a statement will be made.

What the minister reviewed in his statement to the House is the sad state of the automotive industry in Canada. He said to the House in fact that the difficulties at Chrysler resulted from the difficulties of its parent in the United States. But the fact is that there are difficulties in the Ford Motor Company, and General Motors have difficulties this year as well. The minister knows those facts as well as I do.

We are the only country I know in the western world that produces automobiles which does not have an annual report on

its automotive industry. In fact, we get most of our information on the Canadian automotive industry from the report produced by the secretary of commerce of the United States for the President of the United States. I recall this matter was discussed in 1974 in the House of Commons with the minister of industry, trade and commerce of the day. He told us that a committee of the Department of Industry, Trade and Commerce and American automotive officials were getting together to try to rationalize the figures, because each year when the report was produced for the President there was a rhubarb in the House of Commons because of a difference in the figures that were presented.

Indeed, when one looks at how this information is gathered, one finds some very strange things. For instance, one finds that automotive parts are produced and brought into Canada in bulk. They are then broken down at the Livingston company facilities in southwestern and central Ontario. Those parts that are required for production in Canada are sent to the respective automotive plants, and those that are not required are exported out of the country. Those exports are shown on the figures from Statistics Canada as the export of an automobile when in fact they are not. In fact, the figures shown in Statistics Canada for exports and production of automobiles in Canada are quite false. Of course, this has not been attended to. We know of other instances where cars produced in the United States have been brought into Canada, the wheels are removed from them, they have been crated, exported out of Canada and are shown as a vehicle produced in Canada. We know that that is wrong.

The point I am getting to is. Had the government in 1974 put together a means of gathering the information on the automotive industry in Canada, perhaps we would not be in this position today. Perhaps the trend to which the minister referred of the Canadian consumer moving to a smaller, lighter, more fuel-efficient vehicle would have become apparent long before now. We know—everyone in the country knows—that the difficulties the Chrysler Corporation in the United States ran into were just bad management decisions. I do not have too much sympathy for bad management decisions.

I appreciate the fact that we cannot allow the number of workers involved to be thrown out on the streets, which is what would happen if Chrysler went bankrupt. I respect the fact that we have to take some move to help alleviate this situation. But the reality is that there has been talk and talk and talk for eight years about the auto pact, about the automotive parts industry, about straightening out the figures and the numbers, but virtually nothing has been done as far as I can find out.

● (1620)

We know, for instance, that 75 per cent of the operations of automotive parts manufacturers in Canada are American owned, yet I do not see anything in the statement made by the minister that indicates we are going to move in any way to see that the new van and the new fuel-efficient car Chrysler is going to produce will have some sort of North American