

region of Canada. This raises a question because obviously it has not been the historical pattern up until now.

Since World War II the development of the aerospace industry has been in the Province of Quebec and the Province of Ontario. There has been a substantial portion in the Province of Manitoba, with a number of subcontracts being done in Vancouver, Halifax, and Calgary. If indeed it is the intention of the Conservative Government to begin to consolidate and concentrate the aerospace industry in one or two regions, then it should say so. It might find some capacity to be honest with Canadians. If that is the decision, it should be prepared to spell it out. However, at this point there is no aerospace development plan. There is no strategy. We have no idea what it is, other than the statement of the Minister of Energy, Mines and Resources. That was then followed by the task force report on the City of Montreal. In its own way that was an important and laudable achievement. However, why was it not done for other cities and regions? Why only for one? Why are all the other regions ignored when it comes to trying to develop an effective plan for federal involvement in regional development? I applaud the efforts to bring together business and labour with federal, provincial and municipal leaders to develop a strategic economic plan for an important region of this country. However, surely to goodness it should be done in all major regions of Canada. That would ensure that the principle of fairness is applied. It would show that we recognize the importance of equal sharing of the development in all regions. That principle is particularly important in the aerospace industry which is highly dependent upon government investment, contracts and research and development incentives. It is not a market-based industry. It would be nice if it were, but in fact it is highly sensitive to government decisions. A large part of its work is defence related and dependent upon government programs for research and development and expansion.

● (1240)

Right now there is a high level of uncertainty and anxiety in the industry. My City of Winnipeg has major aerospace manufacturers like Boeing and Bristol. They do not know what is coming next. They do not know how to proceed. They do not know if they should bid on contracts because they do not know the rules of the game anymore. Even after the CF-18 contract was awarded, tenders were put out on other government related aerospace work with the same kind of criterion, it being "social economic benefits", a one line criterion with no further elaboration. That is contrary to the demands we made in this House at the time the CF-18 contract was awarded. We said that if the Government was going to introduce new criteria such as that, it has a responsibility to ensure that the companies bidding on those contracts at least know what test they will be required to meet. However, that has yet to be done even though Ministers of the Crown must surely know by now what an egregious and stupid mistake they made in the way they handled that contract. Yet they have done nothing to correct it. As a consequence, the major players in the industry

Canadair Limited Divestiture Act

do not know whether to expand or whether to put money up front in the bidding for new contracts because they do not know whether the game is going to be played by the rules set by the Minister of Energy, Mines and Resources in his interview with *La Presse*, or by the rules of the tendering process set out in the manuals.

Here we are, in a climate of deep uncertainty, talking about the need to sell Canadair to a private company. The industry has no way to focus on its future direction. I had hoped the introduction of this Bill would afford the Minister responsible an opportunity to spell out how she sees privatization as part of an over-all plan for Canada's aerospace industry. How would she see it fitting in to relationships between Governments? Were there any other "favoured status" agreements that Canadair can use? What other understandings exist? The only way to clarify and clear away the lingering suspicion and skepticism about the way the Government does business is to put on the table exactly what it is the Government expects to happen. Yet nothing like that has been done. We have not received any kind of guarantee about what the future responsibilities and obligations of the federal Government will be to Canadair and the other major aerospace companies. The Government is seeking approval for the sale of a major aerospace company, and that is why I believe the onus is on the Government to provide to this House and the Canadian people, particularly the 45,000 workers in the industry, a clear indication of what the future will be.

The sale of Canadair raises no specific problems so long as we can clearly see that it was done by the proper rules and in the public interest. However, it was not done that way as the correspondence I have read in the record clearly shows. There has been no definition of what the public interest is. As a consequence, this sale will simply further muddy what are already very murky and troubled waters.

The Acting Speaker (Mrs. Champagne): Questions or comments? The Hon. Member for Brampton—Georgetown (Mr. McDermid).

Mr. McDermid: Madam Speaker, you are getting to know my riding very well. It is a great riding.

I enjoyed listening to my hon. friend and there are three things I would like to talk about. He spoke about workers and employment. It is interesting to note that when the Government owned de Havilland, employment went from 5,400 down to 2,800. It is now back up to some 4,800 employees, 600 of them hired since Boeing took over de Havilland. In the period of time when the Government controlled Canadair, employment dropped from 7,200 to 4,800 where it stands today. Obviously what the Hon. Member said about a Crown corporation providing a certain amount of certainty to its workers is totally untrue.

The Hon. Member also talked about uncertainty in the industry. He said the companies do not know what to do. If the companies are so uncertain, I want to know why they are hiring people in record numbers. Why did Boeing announce on