

*Supply*

This illustrates very well the attitude of this government; we do not know where it has been nor where it is going.

Regarding these commitments, we can honestly say without fear of being mistaken that this government has disappointed us, that it is beyond the hopes it had raised or tried to raise among Canadians with respect to infrastructure and the Youth Service Corps; it has only addressed unemployment in science and technology in the manner we just mentioned. The government is letting us down.

I would now like to speak to an issue I am particularly interested in as industry critic: industrial conversion. Let us refer once again to the red book stating the government's intentions in this area and others. On page 55 we read this: "The defence industries today employ directly and indirectly over 100,000 Canadians. The end of the Cold War puts at risk tens of thousands of high-tech jobs. A Liberal government will introduce a defence conversion program to help industries in transition from high-tech military production to high-tech civilian production".

That was the vision, the intentions of the Liberal Party of Canada in terms of industrial conversion. It was a wise, enlightened vision of the situation but unfortunately, after this document was released, we never heard again of this government's so-called vision or intention to encourage the conversion of military production to civilian production.

Yet, this sector is in dire straits. Between 1987 and 1992, the deliveries of arms manufactured in Quebec fell by more than 48 per cent, almost by half, from \$1.6 billion in 1987 to \$810 million in 1992.

Businesses in the defence industry are value-added high-tech manufacturing ventures where salaries are high. The number of Quebecers working in arms production is estimated at over 46,000. Electronics, aerospace, general transport and EDP are the most active sectors in the defence industry. The major defence companies are very well known: Bombardier, CAE, SNC, Lavalin, Pratt & Whitney, Bell Helicopter, Expro, Héroux, Marconi, Paramax.

All these companies were successful in finding their niche in an international competitive environment. Together, they are responsible for over one quarter of all the research and development work done in the Montreal region. They have always enjoyed the federal government's financial support to develop defence capacities.

This shows how the conversion of these defence companies, given the geopolitical changes occurring all over the globe, is important, especially in Quebec, to maintain a healthy high-tech industry.

During the election campaign, the Liberals made four major commitments regarding industrial conversion. First, to expand the mandate of the Defence Industry Productivity Program or DIPP, to help the industry convert and diversify, a \$150 million

program. Second, to establish an economic conversion commission, with the participation of industry and labour, to facilitate and coordinate the process of conversion in the defence industry. Third, to develop joint conversion arrangements with the United States, the market for 80 per cent of our defence exports, in order to establish a concerted conversion strategy. Fourth, the conversion of Canadian military bases, for example in training centres for peacekeeping forces.

As we saw earlier, the government's intentions were illustrated by the closure of military bases, without reference to any kind of conversion. As for the new mandate of DIPP, it is said in the budget speech that, indeed, this mandate will be expanded in three years to possibly include some form of assistance for conversion and diversification. But at the same time, the government says that in three years, and not right now, the budget allocated to that program will be reduced by \$10 million per year.

One wonders why wait three years given the problems of that industry, a slowdown of all activities, a reduced number of contracts in general, as well as a need to transform that military industry into a civilian one.

Moreover, we never again heard anything about this idea of setting up a commission to look at the conversion issue with the companies and workers affected.

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Yet, there is in Quebec an example which seems to serve as a model for all researchers and university people interested in this issue. I am referring to EXPRO, a company specializing in military products, which is famous for having experienced all kinds of problems throughout its existence, including labour relations problems. When it realized that it was obviously and clearly in jeopardy, the company decided to come to grips with its problems, this with the support of its workers. It set up a manpower committee, made an in-depth review of the situation, hired consultants, established a diagnosis, and now EXPRO is a company with a civilian production instead of a military one. I think this is an example to follow. EXPRO is showing that where there is a will, there is a way.

Yet, the situation is serious, and some members of the aerospace industry have already reacted to the government's intentions, and especially to its lack of vision, as illustrated by its decision to cut in the military sector and elsewhere, without having planned anything to make up for the impact of these measures.

So, last week, representatives of this industry, who worry about the government's intentions, asked for an urgent meeting with the Minister of Industry to find out just what these intentions are and to discuss them with him. I am talking about such prestigious industries as CAE and SPAR Aerospace, which asked to meet with the minister because of the government's attitude and lack of planning. We do not know what transpired,