

*Labour Crisis in Aircraft Industry*

tentative, but there were statements placed on the record at that time which gave a rather different impression from that the minister created in his statement this afternoon.

The minister will remember—and I have already put this on *Hansard*—that in the committee on estimates which met last summer and which was privileged to have a visit from the minister, he said, as recorded at page 325 of the minutes of the proceedings of that committee of July 4, 1958:

For several years at least after the introduction of the ICBM the manned bomber will be an effective means of delivering attack with the degree of accuracy required.

At the same meeting he later went on to say:

There are important factors necessitating the use of manned interceptors in the air defence system for many years; indeed, as far as we can see into the future.

And later:

The supersonic manned interceptor is the development of a proven weapon, whereas the long range surface-to-air missile is as yet untried.

Those were statements made last summer. Then the Prime Minister in September made the statement to which the minister already referred this afternoon which was understood to alter completely the picture that the minister had painted to the committee and yet, though as the minister said this afternoon that should have been taken by the company as the end of the CF-105, the final decision was put off. In the words of the statement itself, it was put off "because there was danger in the Far East." There was danger in the Far East last September and there is danger today in both western Europe and the Middle East. If the international situation was a valid reason for not interfering with this project in September of 1958 it is an equally if indeed not a more valid reason for not interfering with it some months later in February of 1959.

The minister will remember the words he used in a speech delivered at Chilliwack in October in which he pointed out that the CF-105 was finished. I believe the words he used were, "it is obsolete before it has completed its development." Perhaps at that time the company may have had some reason to think that the project was about to be ended but in November there was a statement made by the former chief of the Canadian air staff, now the deputy director of NORAD, which again took the other view. The CF-105 in his view was an essential weapon in our armoury for defence. Certainly that statement gave the impression that perhaps reconsideration was being given to this matter by the government.

The Minister of National Defence in the press conference he held on that very day certainly seemed to agree with the statement of Air Marshal Slemon. In contrast to the statement he made a month earlier in British Columbia the minister on November 25 in a press conference said that the R.C.A.F. would require a manned interceptor for some years to come. He is also reported in the press as having said:

What we decided last September was not to produce the Arrow under the conditions that surrounded Arrow production at that time. Let the makers re-examine the cost and then we will know where we are going.

I gathered from the minister's remarks this afternoon that the makers did re-examine the costs. I asked the minister whether the results of that re-examination were seriously considered by the government in the presence of those who made them and whether there was that kind of discussion between the government and the company which surely should have been held before any final decision was taken. I am informed—and I asked a question related to this of the minister this afternoon—that the last occasion on which Mr. Crawford Gordon of this company saw the Prime Minister was on September 16, 1958. At that time Mr. Gordon gave the Prime Minister a brief in which he warned the Prime Minister about the consequences of the termination of the contract in terms of jobs and unemployment and that he also advanced at that time a number of suggestions. One of those suggestions was that the government and the company set up a joint committee to explore the possibilities of what might be done. I ask the government whether any steps were taken to that end.

This afternoon I asked the Minister of National Defence whether the government had even discussed this termination with officials of the company before the statement of last Friday was made and all the minister was able to say in reply was that the officials of the company and of the government were going back and forth and were in contact with each other. With great respect I submit that did not answer my question.

In any event, surely this was an uncertain attitude on the part of the government. To say the least, it was uncertain because the company had some reason to believe that perhaps the government was changing its mind; that no final and irrevocable action had been taken, because if that had been done surely the company would not have been expected to learn of that decision from the columns of the press or from the radio, which we are told is what happened.

In regard to this change of atmosphere in November, arising out of statements that