

automobiles expires on July 1. Could the Minister give us a commitment that in his talks with the Japanese about the importation of Japanese cars he will try to negotiate the recommendations of this task force so that there will be Canadian content in the Japanese cars which Canadians will want to buy?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, I thank the Hon. Member for his very pertinent and timely question. I want to say to him that the negotiations with the Japanese in relation to a further period of restraint are continuing and that I would be hopeful of having in place, by July 1, an arrangement which would cover a restraint level until the end of the fiscal year, next March 31. If that is not the case, then I would propose other action to Cabinet prior to July 1, 1983.

In relation to the recommendations of the task force, I think the manner in which that must be approached is that we get into place an agreed level of restraint from now until March 31, and that we take advantage of that time period for the distinguished Minister of Industry, Trade and Commerce, in co-operation of course with the Department of Trade, to see to it that negotiations with the Japanese on the question of content go forth pursuant to examination by Cabinet of the recommendations of the task force.

● (1150)

CANADIAN CONTENT IN JAPANESE MANUFACTURED TRUCKS

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my supplementary question also concerns the task force. The principal recommendations of the task force are really very similar to the 1965 Auto Pact with the United States that called for Canadian content for the production of American cars in this country. It is really a fair play document that is expanding the same rules to other companies in other countries.

I would like to ask the Minister, in light of the fact that the importation of Japanese trucks has gone up by 54 per cent over last year in the first quarter of this year, is he including the importation of Japanese trucks as part of his talks with the Japanese. Would he like to see the same rules of Canadian content apply to trucks as the report of the task force says should apply to both trucks and cars? Would he also negotiate for Canadian content in trucks as well?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, trucks are, of course, part of the automotive trade between our countries and provide jobs in the same way as do cars. While the Japanese have historically been reluctant to include trucks in any arrangement for restraint, that is a subject of discussions that are taking place.

I want to point out to the low-flying Hon. Member that there are two factors which I consider to be very hopeful at the present time. The first is that the market for cars is improving substantially this year as recovery from the recession takes place. The other is that there seems to be a growing indication

that North American automobiles are becoming more competitive in the eyes of the public. I see a pattern of recovery coming about in the choice of North American cars over imported cars.

We are watching the situation in relation to trucks very closely and we are concerned about the number of trucks that have been sold. That is a matter for examination along with the matter of automobiles.

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CROWN CORPORATIONS

CANADAIR—GOVERNMENT'S REACTION TO MANAGEMENT

Mr. Doug Lewis (Simcoe North): Madam Speaker, my question is directed to the President of the Treasury Board and is supplementary to that of my colleague. No one in the Progressive Conservative Party questions the integrity of Thorne Riddell whatsoever, Madam Speaker. What we do question is the matter of Joel Bell wandering around acting like a pseudo Lee Iacocca of Crown corporations.

A representative of Thorne Riddell, appearing before the committee which was examining Canadair, made it quite clear that notes to the financial statement are notes of the management. My question to the President of the Treasury Board is this: what was the reaction of the Government when it found out that it had been misled by management?

Hon. Herb Gray (President of the Treasury Board): Madam Speaker, my hon. friend says that he is not questioning the integrity of Thorne Riddell, but I respectfully suggest that the innuendo was very much present in the questions of his hon. friend. As far as I am aware from reports I have had of the Public Accounts Committee meeting, there was no suggestion made by Thorne Riddell that the type of activity suggested by his colleague has taken place.

With respect to my hon. friend's question, the details of action taken by Government were set out in great detail before both the Public Accounts and Finance Committees, in the statement tabled by the Minister of State for Social Development and in the subsequent exchanges with the Committees. I believe that I should refer more detailed questions on this subject to the Minister delegated to respond on behalf of the Canada Development Investment Corporation in this House.

Mr. Lewis: Madam Speaker, the puppet who responds in this House for the man in the other place is not here today.

NON-DISCLOSURE OF CORPORATION'S LOSSES

Mr. Doug Lewis (Simcoe North): Madam Speaker, Canadair adopted the program accounting treatment which, according to the representative of Thorne Riddell, is only used by one other company in Canada. Is it not true that a program accounting treatment was encouraged by the Liberal Government because it enabled Canadair to hide the losses which it hid from the Government and the taxpayers of Canada for so long?