

Supply

I have described what defence conversion is or is not. This government has an equally clear understanding of what it should be and can be with a carefully planned program. Defence conversion can help defence dependent companies reduce their dependency on limited products and customers. It can be a co-operative effort between industry, labour and government to foster strategic alliances for pursuing international markets.

It can be an opportunity to work with our counterparts in the U.S. especially in fostering the development of dual use technologies. I assure members that it will broaden the industrial base for overall economic growth.

[Translation]

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, the Bloc Québécois has introduced a motion saying:

That this House condemn the government for its unacceptable delays in developing and implementing a genuine strategy for the conversion of defence industries to civilian production, which would save and create new jobs in high-technology sectors.

I congratulate the hon. members from the Bloc Québécois for thinking about jobs. I hope they will raise, in Canada and in Quebec, concern for Canadian jobs. When I refer to Canada and Canadians, I mean all provinces, including Quebec. Their objective of separation is certainly not the ideal recipe for job creation. We need to belong to a strong community, a strong family, large and co-operative enough to develop its own industries.

We were informed today of the policies and programs which would guarantee the success of the conversion of defence equipment manufacturers into companies active on international markets. However, it is not simply a question of policies and programs. The main factors are the entrepreneurial spirit, the measures taken and the results achieved.

There are many examples of success. One of them is Securiplex Technologies of Montreal. This is the story of a successful conversion by a company which was well-known for its defence equipment. Recently, they had the good fortune of getting a \$26 million contract from Bombardier BN, in Bruges, Belgium, for the production of a control system.

This system will electronically detect and extinguish fires in the 254 shuttle-cars that will be used in the Chunnel.

It is based on the system designed by Securiplex for damage control on warships and presently installed on 12 new Canadian frigates and ships of the British Royal Navy.

This system uses microprocessors to monitor and control the sensors and fire-extinction devices, as well as other security systems. It was developed under a procurement contract negotiated with the Government of Canada through the Defence Industry Productivity Program.

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Since the completion of this project, and with the help of Industry Canada, Securiplex marketing has been targeting commercial companies. This firm is actively pursuing the industrial security market, especially in North America, Europe and the Middle East.

Among its achievements are the contracts it won to supply sophisticated fire detection and extinction systems for the headquarters of the European Economic Community in Brussels, the Alba power plant in Bahrain, in the Middle East, and the Hibernia drilling platform off Newfoundland.

ATS is a rather impressive example. It was created on the Montreal South shore in 1979. Originally, it was a small company specialised in ammunition testing. Aware of the limitations of this activity, it sought to put its considerable expertise to good use by creating software for new markets.

Today, this company has nearly entirely changed its field of activity. Its future lies now in completely new opportunities it created, namely air control tower and room simulators. Training air controllers is of the utmost importance, and yet nothing has been done to update training methods.

Presently, ATS is executing major contracts awarded by international customers. DIPP played a crucial role in the development of this firm's technological capacity. ATS was awarded its last contract in January 1992, and since then it has not asked for another loan.

The common denominator to these success stories is the fact that these manufacturers of defence equipment were able to adapt to the new reality and meet the demand of a new market. It is also our government's commitment to help these industries diversify. The pessimistic outlook of some concerning the future of our aerospace and defence industries does not reflect reality. As a whole, the news regarding defence industries is rather good.

For example, many members know that one of the leading Canadian aerospace and defence electronics firms is CAE Electronics Limited of Montreal. This company is a world-class operation in every respect. It is the main supplier of commercial aircraft flight simulators and records important sales to similar defence markets.

CAE Electronics employs more than 3,000 people, with scientists, engineers and technicians accounting for half of the workforce. Annual sales of nearly \$350 million are made by the Montreal offices and the figure is expected to increase next year. The company has been experiencing tremendous growth and expansion for the past three decades. Annual sales now in excess of one billion derive primarily from exports.