

Oral Questions

Some Hon. Members: Shame, shame!

Mr. Turner (Vancouver Quadra): I will ask the Deputy Prime Minister once more whether the Government will come clean to the shareholders of de Havilland, they being the people of Canada. Will the Deputy Prime Minister, in conjunction with the Prime Minister, who has just entered the House—

Some Hon. Members: hear, hear!

Mr. Turner (Vancouver Quadra): The Prime Minister has just asked the House Leader what this is all about. I want to tell him. We want the documents, the acquisition agreement, the memorandum of understanding, and the secret prospectus given to prospective purchasers in the de Havilland deal.

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, the Right Hon. Leader of the Opposition has quite rightly been asking for details about this deal. We have been very forthcoming with that information.

Some Hon. Members: Oh, oh!

Mr. Gauthier: What a statement.

Mr. de Cotret: At the time the Government made the announcement we made available to all Members of the House a summary of the memorandum of understanding, a summary of the letter of intent, background material on de Havilland, and background material on Boeing. Since then I have answered questions on price, book value, tax limitations, credit notes, world product mandates, government equity, royalties, product liability insurance, corporate liabilities, government programs and access thereto, Canadian government content, supplier development, R and D, insurance, new investment, and technology. What more do you want?

Some Hon. Members: Hear, hear!

PROJECTED LOSSES AND PROFITS

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the President of the Treasury Board is once again risking his reputation in responding to these questions. He has repeatedly said in the House that the reason for selling de Havilland is that it will lose \$200 million next year. The prospectus we have, which was prepared by Burns Fry, Merrill Lynch, and S. G. Warburg of London, England, and sent to all prospective purchasers of de Havilland, proves that this is simply not true. The prospective loss for 1986 was not \$200 million, but \$14 million. The prospective profit for 1987 was \$5 million; for 1988, \$16 million; and for 1989, \$27 million, for a total of \$48 million. Would the Minister be good enough to reconcile his version to the House with what the prospectus to potential purchasers said?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, I would be very happy to answer as I have been throughout the last few weeks.

Mr. Gauthier: Tell the truth.

Mr. de Cotret: The estimates that were received from the Department responsible and from the company in question indicated potential losses for the coming year of between \$50 million and \$75 million—

Mr. Gauthier: You said \$200 million.

Mr. de Cotret: —and the necessity of injecting a further \$125 million in equity, which meant a cash loss to the Treasury, the CRF as you well know it is called, of \$200 million for the coming fiscal year.

Ms. Copps: That's nonsense.

Mr. Turner (Vancouver Quadra): Mr. Speaker, either we have a misleading Minister or a misleading prospectus.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): I think the Minister and the Government ought to come clean and table in Parliament all the relevant documents so that we can make our own judgment about that.

Some Hon. Members: Hear, hear!

● (1420)

GOVERNMENT SUPPORT

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the document, under the title *Acquisition Opportunities*, cites a number of advantages, including these two:

The availability of Government support for development projects under existing funding mechanisms—

That is promised to the prospective purchaser. The second is:

The prospect that the Canadian Government will continue to support the company.

Will the Minister explain what these two advantages really mean?

Hon. Robert de Cotret (President of the Treasury Board): I have said time and time again, Mr. Speaker, that de Havilland, under Boeing ownership, will be eligible for all existing government programs as any other Canadian corporation would be eligible. I cannot go much further than that—

Mr. Deans: How much will that cost the Consolidated Revenue Fund, the CRF?

Mr. de Cotret: The company is eligible for those programs as is every other company. I have said that before.

In terms of continuing support, I think this Government has proven over the last 15 months that it supports every company in Canada that has embarked upon growth, job creation, new investment and development. We will continue supporting companies of that kind.

Some Hon. Members: Hear, hear!