

Adjournment Debate

● (2220)

[English]

Hon. Ron Huntington (Minister of State for Small Businesses and Industry): Mr. Speaker, may I first congratulate the hon. member for Laval (Mr. Roy) for one of the finest adjournment debate questions which I have heard. I accept his complete sincerity, and I thank him for the constructive nature of his remarks on this privatization issue concerning Canadair and de Havilland.

First may I point out that these corporations originally got into trouble under foreign ownership, which is one of the serious issues we have in Canada today. They were taken over by the Canadian government with the full intent of lifting them up to an operating status, once again giving them the infusion of capital and risk money for research, development, and innovation which was needed to stabilize them as an industry. It was even the former government's original intent that, once in a healthy condition, they should be returned to the private sector and to Canadian ownership.

I cannot always speak for the President of the Treasury Board (Mr. Stevens). I admire greatly much of the work he is doing. I should like to refer to a few quotes which I think answer in part some of the questions asked by the hon. member tonight. I am sure in the three minutes which I have that I cannot answer all of them, but I could do it privately. The President of the Treasury Board said:

It is not intended that control of any company be sold to foreign interests and no sale will be finalized until and unless we are satisfied that the findings of certain studies now under way are compatible with such sales.

There is no intent to jeopardize the health or the ongoing nature of those corporations.

I am not at liberty to announce a potential Canadian buyer with widely held shares in Canada, but such is in the offing. If that falls into place, I believe it will be a rather exciting and substantial move which even the hon. member for Laval will applaud.

Before my three minutes are up, I should like to compliment the hon. member on the suggestion that the employees of those corporations be allowed to buy shares as Canadian citizens,

particularly as workers. I personally believe that each Canadian worker is entitled to something in addition to his take home pay package and benefits. There is a certain excitement in owning that to which he goes daily or at night with his lunch bucket, does his work, and returns home. If he can give the industry that little bit extra which can be given only through ownership or feeling a part of it, there is great wealth to be had there which dollars cannot buy.

The corporation had a debt to equity ratio of about 3.5 to one. In its present state it will not be the easiest thing in the world to privatize. However, the proper package and balance, the proper management and as suggested by the hon. member, the involvement of employees in its ownership, could make those two corporations grow from the plateau upon which they have been put.

The privatization process in the Treasury Board is a very careful one. There is a task force. Its study will be finished in February, 1980. The Comptroller General is involved, and a special appointee is in charge of the privatization sector. Any assets which is viable and can be sold to reduce the debt of the country, that is the nature of the process. The process also gives us an opportunity to review agencies and Crown corporations that are in place and say, "This one is not ready; this one is ready and there is a market for its product."

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I can assure you that de Havilland and Canadair, if and when returned, will be returned in good, solid shape. In the meantime, the programs in place that are allowing them to function as viable and growing entities are not being interfered with. Let me just point out that Mr. Stevens also pointed out that the corporations involved would be treated as fully ongoing concerns in the interim period in terms of the provision of assistance through government support programs.

I know how anxious the employees are, and I know what uncertainty does to people. If they will just calm down, this could be a very solid situation for them.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow afternoon at two o'clock.

Motion agreed to and the House adjourned at 10.26 p.m.