

Oral Questions

volume in the Canadair sales volume and Canadair gross margins? The effect of including the General Dynamics business in the Canadair statement is to over-estimate grossly the profit of Canadair.

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, the amounts in question had been approved not only by Cabinet, but if we are talking about supplementary Estimates, also by this House. We are talking about something that has been a matter of decision by Parliament. With respect to the level of detail my friend is seeking, I will be glad to consult with the Minister responsible for the Canada Development Investment Corporation and Canadair, and get back to him.

NEGOTIATIONS BETWEEN GENERAL DYNAMICS AND CANADAIR

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, when the President of the Treasury Board is consulting, will he determine whether it is true that General Dynamics has been trying to re-purchase the facilities it occupies at Plant 4 at Canadair or, in the alternative, have a modified or changed rental agreement with new equipment supplied by Canadair or it will move its entire production to Texas? Will the Minister find out whether Joel Bell or Senator Austin have done anything on this matter? Will he report to the House what effort is being made by the Government to retain these jobs at Canadair? Why has there been no response to the demand by General Dynamics since May, 1983, for a renegotiation of this transaction? With that transaction outstanding, why did he, as President of the Treasury Board, approve these massive estimates and grants to Canadair?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, as I just said, this support for Canadair is not only a decision of Cabinet, but a decision that has now been confirmed by the House of Commons. I will be very happy to have the responsible Minister provide the kind of information that my hon. friend is seeking.

I am sure that the public generally, not to mention the workers of Canadair, are pleased to see further evidence of the greatest conversion since St. Paul on the road to Damascus, with my hon. friend, on behalf of his Party, now talking positively, for a change, about the future of Canadair and its workers. What a change! I hope it lasts!

● (1420)

GENERAL DYNAMICS INVOLVEMENT INQUIRY

Mr. Don Blenkarn (Mississauga South): My final supplementary question is directed to the Prime Minister. Will the Prime Minister advise the House why Senator Austin failed to advise the committees dealing with Estimates for Canadair that a good portion of the activities of Canadair involved activities owned, controlled, and operated by General Dynamics? Can he advise the House why the General Dynamics profits in connection with its Canadian operation are shown as Canadair profits, and why indeed the whole of the General

Dynamics-Canadair organization was merged and hidden? Will the Prime Minister give us that information, or is this a secret which we were not supposed to find out?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if it is a secret, I can be excused for not having the answer to the question. I would be happy to take the question as notice, or the insinuation as notice, and try to find an answer.

EFFECT OF AGREEMENT ON JOBS

Mr. Scott Fennell (Ontario): Mr. Speaker, my question is directed to the President of the Treasury Board. Five weeks ago an agreement was reached between the Ministry of State for Economic and Regional Development, Regional Industrial Expansion, a Ministry in the Quebec Government, the Canadair officials, and General Dynamics officials, which will run out on Friday. General Dynamics made the decision that, unless the agreement could be changed, it would shut down Plant 4 of Canadair, and the country would lose 250 jobs. Can the President of the Treasury Board confirm that an agreement will be reached before Friday of this week?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, I am glad that my hon. friend is also part of this massive conversion. There must have been some mass sprinkling, or baptism, on that side of the House which affected their attitude on this subject.

Some Hon. Members: Oh, oh!

Mr. Gray: I will be very happy to bring this matter to the attention of the Minister responsible. I am very glad to hear the people on the other side finally talking about saving jobs at Canadair, a commitment we made a long time ago, which they should have made a long time ago as well.

Mr. Fennell: Mr. Speaker, our concern is for jobs in the country. Our further concern is for equity for taxpayers.

PURCHASE OF CANADAIR

Mr. Scott Fennell (Ontario): Mr. Speaker, I have a further question to direct to the President of the Treasury Board. It is interesting that General Dynamics is still operating under the umbrella of Canadair. Was Canadair sold by General Dynamics on a voluntary basis, or was it a forced sale by the Government of Canada which was anxious to enter into the aerospace industry and General Dynamics was interested in defence aircraft as opposed to civilian aircraft?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, again I would have to ask the Minister responsible to respond in detail to my friend's question. But I think it is a matter of general knowledge that if the federal Government had not purchased Canadair in 1976, there would be no company today, and there would be no jobs either.