

extend my congratulations on your re-election as Chairman of Committee of the Whole and to express my best wishes for a prolonged life both in the chair and as hon. member for Beauharnois-Salaberry. During the question period yesterday, I stated to the right hon. Prime Minister (Mr. Clark) my concerns with the program of privatizing Crown corporations. Apparently the profitable corporations will have priority in the sales process, over the unprofitable ones, which will remain at the taxpayers' expense. Regretfully, I am referring for instance to Petro-Canada, which will go back to the private sector while the non-profitable part, research, development and risk ventures, will remain with the government. In the case of Canadair, a profitable corporation, there is also talk of liquidating and proceeding before the end of November. Mr. Speaker, what are we going to do with de Havilland in Toronto, which is still unprofitable? Are we to proceed in parallel, the profitable plant being sold while the unprofitable one will be kept as a Crown corporation? In its program of privatizing the Crown corporations, the government announced the sale of Canadair to the private sector without telling us how this would be done, what would be the criteria and within what framework the government intends to take that corporation away from its shareholders, depriving them of their right to share and participate in the profits or benefiting from the profitability experienced by this industry faced with a very promising future.

Mr. Speaker, Canadair was purchased in 1976 by the former administration at a cost of \$38 million in order to ensure Canadian control over this important sector of the economy, to develop the aeronautic industry and, thereby, through the sale of its aircraft, to export on a worldwide scale the products of its technology. The Challenger, for instance, which has met with tremendous success actually represents an injection of over \$700 million into the Canadian economy. Canadians took some risks in 1976 when Canadair was in a deficit position and on the verge of closing down. Today the purchase of Canadair represents the creation of more than 5,000 jobs in the Montreal metropolitan area out of which 95 per cent have gone to Quebeckers who, as a result, have developed an interest in aeronautics as evidenced by the 700-plus students registered in the school of aerotechnics at the Edouard Montpetit community college.

In 1976, out of an ailing enterprise, the Liberal government made a symbol of success which has become the pride of all Canadians and I would like especially to commend the executive team for its dynamism and the quality of its management as well as the plant workers who have also made significant efforts to ensure its success.

Mr. Speaker, Quebeckers are not just mere manufacturers, and if you will allow me the expression, drawers of water, because we also manufactured the CL-215 which is designed for fighting forest fires.

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But Quebeckers are now manufacturing the most modern, the most efficient twin-engine jet, which has had a phenomenal success worldwide, and they want to keep that reputation and participate in that aeronautical development. Big contracts with the Department of National Defence for a new fighter plane worth some \$2,500 million will surely mean major economic fallout for Canadair, and will be added to present contracts which represent for thousands of Quebeckers well-paid jobs for about 20 years.

Mr. Speaker, our leader mentioned early in the new Parliament that the opposition would be positive. I therefore suggest that the government look seriously into the possibility of creating a single aeronautics company merging Canadair of Montreal with de Havilland of Toronto, because of the importance of the relations between the government and private enterprise, especially in that specialized sector of aeronautics, considering the fact that planes are classified by the Department of Transport of Canada, their export is controlled by the Department of External Affairs, the marketing and financing by the Department of Industry, Trade and Commerce, and military needs are ensured jointly by the Departments of National Defence, Supply and Services and even of Environment Canada, which can intervene in that co-operation between private enterprise and the government.

It seems to me that formula for joint participation by the government and private interests is a far more logical solution and, especially, more acceptable to all Canadians. If they decide to go ahead with the sale of that industry the transaction should be made within the framework of general legislation on the liquidation of Crown companies.

Mr. Speaker, the case of the Arrow aircraft was the reflection of a lack of interest from the Progressive Conservatives in the field of aeronautics, and we do not want Canadians to be reminded of that sad story. Unless they can obtain from their government official safeguards which should be provided through the development of a national policy on aeronautics, it seems to me that this privatization will be useless and that Canadians will be fooled once again by the Tories.

● (2205)

[*English*]

Mr. John Bosley (Parliamentary Secretary to Prime Minister): Mr. Speaker, this is the first opportunity I have to congratulate you on your appointment and I do so gladly.

I will proceed expeditiously to answer the question raised by the hon. member because I am sure he is anxious to hear the reply and not simply interested in making a speech. It is true, as he suggests, that Canadair Limited is one of the leading aircraft companies in the Canadian aerospace industry with integrated capabilities for design, development, production and