

*Adjournment Debate*

should move further along the lines agreed to in Parliament last year and give more emphasis to this approach, remains to be seen.

I would like to emphasize, however, that the minister does not regard himself as an instrument of restraint in this matter. His motivation is to ensure that we have the best possible system of social policies in effect in this country, and by "the best possible system" he means a system which makes available as much help as we can afford to those people who really need it.

As was indicated in the House the other day, the government is particularly concerned about the needs of older Canadians, single pensioners below the poverty line, most of whom are women—as the hon. member for Winnipeg North Centre (Mr. Knowles) often points out—mother-led families, the disabled, and the handicapped.

Having said that, it would be irresponsible of me or of any other member, for that matter, to suggest that we can simply ignore the difficult financial situation in which the Government of Canada currently finds itself. In such a situation it is obvious that to the extent that we can make our programs more efficient in meeting real need we must have more financial flexibility in seeking other policy improvements to meet needs which are not adequately taken care of in the country at this present time.

● (2215)

[Translation]

INDUSTRY—STATUS OF CANADAIR AFTER SALE

**Mr. Marcel Roy (Laval):** Mr. Speaker, ever since the government announced before the opening of the new Parliament its intention to privatize a number of Crown corporations, I have tried to find out what will be the privatization process for these Crown corporations so that hon. members may be advised of the reasons behind and the benefits of such a process. On October 11, I moved a motion under Standing Order 43 on the future of Canadair and asked whether the new government meant to ensure that the objectives set out by the former government concerning Canadair, namely, Canadian control, technological development and job creation are maintained, and that such transaction, if it is deemed necessary, serve the interests of the present shareholders, who are the Canadian taxpayers.

On October 15, I continued this line of questioning, because Canadians are worried about the pace at which the government wants to privatize the Crown corporations, and the employees are anxious about the future status of their industry. On October 15, I asked the right hon. Prime Minister (Mr. Clark) whether, during the negotiations for the transfer of Canadair, the eventual purchaser would guarantee that the funds for research, design, development and planning would be maintained and not transferred outside Quebec in the case of Canadair. And on October 16 when I asked a question during the adjournment debate—I have no intention of going back

over this except to state that I was asking the government once more why, on the occasion of the possible sale, they would not consider establishing an avionics corporation, a joint government-industry owned corporation merging de Havilland in Toronto, now in the red, and Canadair in Montreal. Why not merge both corporations into a mixed avionics company to develop that industry in Canada?

I pursued the matter further on November 12, and I am here tonight once more to question the Minister of State for Small Businesses and Industry (Mr. Huntington), who deserves commendation for the splendid way he concluded the debate on second reading of the legislation now before the committee. I also thank him for being here tonight to comment on the concern and anxiety of Canadians in general and employees of Canadair in particular. I ask the minister whether, when that corporation is sold—because the right hon. Prime Minister suggested to me this was to the benefit of Canadians—whether a Canadian corporation will be deemed to be a corporation under the Income Tax Act, or whether it will be deemed to be a corporation made up of groups of Canadian residents or entities residing in Canada? Certainly there should be a difference between a Canadian corporation established under the Income Tax Act and a Canadian corporation made up of residents, partnerships or entities living or established in Canada.

I believe it is essential to know the intentions of the government. If it is considering selling to Canadian residents or entities, I would ask the government to take into account the fact that Canadair employees will be interested in purchasing shares in the company. I believe that this would contribute to develop pride in Canadian ownership. The *Challenger* has had fantastic results throughout the world. The directors and employees of Canadair are proud of this, and I believe, Mr. Speaker, that if this option is given to the Canadair employees, the same principle could apply to de Havilland. I believe that the employees of this company could become shareholders if a share savings plan can be created. Such plans already exist. During the budget speech in Quebec, a suggestion was made to this effect. In my opinion, such an initiative by the Canadian government on behalf of the employees of this company would continue to promote pride in Canadian ownership.

Mr. Speaker, I do not intend to speak much longer as I have already spoken on this subject several times. However, the Canadian people are anxious to know the intentions of the Canadian government.

When I asked this question of the minister on November 12, he said that cabinet was considering privatizing Canadair. There is therefore still a chance that this company will not be handed over to the private sector. The government may have reviewed its decision and decided to leave it as it is. I believe that this is another matter that should be cleared up.

[Mr. Schellenberger.]