

Canadair Limited Divestiture Act

The Government sold Canadian Arsenals. Again, I think that the reason was ideological, and had nothing to do with the commercial aspects of the situation, because there were really good reasons for keeping Canadian Arsenals. There are many people in this country, and many people in the world, who would like to take the development or the production of armaments away from the private corporations that operate on a straight profit basis, and instead give it to the state that will then make it part of its keeping of the peace, rather than the making of war.

The Government needs to look very carefully at why it is doing what it is doing. We are different from the United States. Many years ago the Conservatives stopped the making of the Avro-Arrow, and by doing so eliminated the aerospace industry from Canada for many years. We still have not caught up to that Conservative mistake.

What the Government needs to put before this House is a plan for privatization, which we can accept and know that it will work and be for the benefit of Canadians.

The Acting Speaker (Mrs. Champagne): Questions or comments.

Mr. McDermid: I wish to make one brief comment on the Hon. Member's speech. It worries me when I hear an Hon. Member like my friend from Prince Albert stand up and talk about how great nationalization is, and how well the Government can run everything. It is obvious that the philosophy of the New Democratic Party is different from the philosophy of the Progressive Conservative Party. That is well known throughout the country. I cannot believe that the Hon. Member can stand up and say that all 400 odd Crown corporations that were created by the Liberals all served a very useful purpose and did a great job. Has the Hon. Member taken the time to look at those Crown corporations to which he refers in a very wide-ranging manner, and examine them like this Government has, and found some to be not serving the public policy position, and not doing the job for which they were intended?

Mr. Hovdebo: The Hon. Member has enlarged on the exact point that I have been trying to make, and that is that Crown corporations were established in the past for some reason. If that reason was good then, it should be looked at again before we divest ourselves of Crown corporations. I recognize that the 400 corporations that were established are not necessarily valid to the economy now. In fact, many of those Crown corporations were subsidiaries of Crown corporations that were purchased for a particular reason. For instance, there are 82 Crown corporations which are subsidiaries of Teleglobe. Because they were established in a variety of countries, they all contribute to Teleglobe as a Crown corporation which is viable and which is doing something for Canada. It is also providing service not only to Canada but to many other nations. The idea that a Crown corporation, because it is not making money or doing any good, should be kept or sold, is something that the Government needs to look at. I recognize that, and I suggest

that the Government does a better job of looking at these Crown corporations. I do not think much of the idea that if it is making money, sell it; if it is not making money, then nobody wants it, so you keep on. If this continues, before long the costs of operation of Crown corporations will be much greater than at present because the Crown corporations that are being sold because somebody will buy them, will be the ones that make money. The Crown corporations that end up being operated by the Government will be those that are losing money.

Mr. McDermid: I wish to thank the Hon. Member for endorsing this Government's position on Crown corporations, that is, to review those Crown corporations that are in existence, and if they are not serving the public good, either fold them up, sell them or dispose of them in a manner that is right and proper. I wish to thank the Hon. Member for endorsing the Progressive Conservative policy on Crown corporations, and encouraging the Minister of State for Privatization (Mrs. McDougall) to get on with her job.

Mr. Hovdebo: As I pointed out earlier, we opposed this particular divestiture for three reasons. One, we have been given no reason why it should be sold. Regardless of whether it has been reviewed or not, the Government has not told us any good reason why it is to be sold. If you put a for or against situation here, there would be a long list of things against the divestiture, and a very short list for the divestiture.

Second, there has been no guarantee of jobs. There is no basic plan in place for privatization. We are asking that a plan be put in place for privatization, and then we can criticize the plan and know what the Government is doing.

Third, the price is wrong. It is a bad deal. There are three good reasons for keeping the company, and no good reasons for selling it.

The Acting Speaker (Mrs. Champagne): Questions or comments. Is the House ready for the question? On debate, the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy).

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Thank you, Madam Speaker, for the opportunity to participate in the debate of a very important subject which affects all regions of the country. It is certainly one that has been the cause of substantial concern and interest, particularly in my home Province of Manitoba.

The debate that we have listened to about the relative merits of privatization versus nationalization are worthy of some comment from this side of the House.

The reason for the existence of public corporations is that they are there to serve a public interest purpose. Certainly, in the case of Canadair, when the Liberal Government purchased it in 1976, it was clear that we were engaged in a major effort to maintain a substantial air frame manufacturing component in Canada itself. This was compared to some of the past