

United Aircraft

government had no firm established policy for its part as a supplier of information. That part was played every day "by ear" depending on the type of question, without any guideline whatever, and the whim of officials and ministers alike. Undoubtedly such a situation, that was bound not to last, had to be remedied, in a condition where modern ways of communication are more and more available and in ever growing demand.

It is obvious, Madam Speaker, that guidelines are criticized by the opposition, whose role it is to do so, since they must force the government to account for the exercise of its mandate, not in an evasive but a concrete manner, by providing the greatest amount of information possible so as to justify its political action. In fact, the idea is to try and find a middle-of-the-road policy between unacceptable total secrecy and acceptable partial disclosure. The discussion concerning the production of documents is between these two extremes.

On the one part, certain civil servants and politicians are jealous of their papers and fear the principle of complete disclosure and, on the other hand, some refuse total and absolute secrecy. Between those two extremes surely there is room for a happy medium that could most often satisfy everyone—*In medio stat virtus*. We all know that there are now rules concerning the production of papers, and I mentioned it earlier—Standing Order 48.

I want to come back to the fact that the government having issued guidelines on the availability of all government papers, unless they fall within clearly defined categories for exemption, as is the case now, represents a very commendable effort, as I mentioned in my opening remarks.

I am convinced there is room for improvement, and that is the primary reason for the examination undertaken by our committee whose name I mentioned earlier. I think surely the open and candid attitude of the government in that respect should draw the opposition's approval.

Before undertaking to reform those guidelines it must be borne in mind that the government spent a lot of time preparing the list of exemptions released on March 15, 1973. There is no doubt that all aspects were carefully weighed before that list was produced. But since it is the nature of man to make mistakes the government does not pretend to have reached optimum conditions. On the contrary, being aware of possible mistakes and weaknesses it set up a committee to examine carefully all aspects of the problem precisely to reach, if possible, perfection in this area.

The fault that seems to exist, and in that I think I am consistent with certain members of the opposition, is the fact that the government now considers its own actions without appeal by the opposition. Perhaps an organization such as the one recommended by a member of the opposition should be created to enable an independent body to determine the validity of the government's position, or of the opposition's request. In democracy, the rules of the game call for—

The Acting Speaker (Mrs. Morin): Order, please. I am sorry to interrupt the hon. member, but his time is now expired.

[English]

Mr. Gus MacFarlane (Hamilton Mountain): Madam Speaker, I am sure the hon. member for Oshawa-Whitby (Mr. Broadbent) is wondering why someone from Hamilton Mountain is speaking on this matter. I think that can be easily clarified by giving my background in the good city of Verdun.

Verdun was a very residential area. We always became concerned with the surrounding corporations, for the good of the corporations and for the worry of the workers who lived in Verdun. The people of Verdun, looking at the suburbs around it, such as Montreal, realized that it was necessary to be concerned because we were mainly the workers in that area. I think we share something in common in that at least.

The best way for me to approach the problem in the hope that I will be relevant in speaking to the question, and since we have mentioned the United Aircraft of Canada Limited and certain factors of the corporation's operation, is to establish in a few short moments something of the character of United Aircraft of Canada Limited, then immediately move on to the minister's actions in relation to documents which he has tabled, and then go directly to the correspondence requested and my feeling concerning the motion.

In establishing the character we should recognize that United Aircraft of Canada Limited has never officially approached the department requesting permission in writing to transfer work from Canada to the United States. When the department became aware that UACL was transferring some work from Canada, it asked the company for a statement outlining the details. Through these consultations which took place during May and June, the department obtained a picture of the actual transfers that were taking place. UACL's justification was that it had to protect its markets from its competitors, and that its customers had indicated that they would switch their business from UACL to competing manufacturers of aircraft if UACL were unable to supply from some source.

When the department became aware of the magnitude of the transfers it called in the Canadian president and senior officials from the international parent, and informed them that the work must be returned to Canada as quickly as possible. Furthermore, the minister informed top company officials that he wished to be made aware of the company's plans for its future in Canada, including new investment. As a result of these pressures the company immediately took steps to repatriate the work to Canada, and since the consultations employment has increased to near record levels and production volume in Canada now exceeds previous record levels.

● (1740)

Because of the government's participation in the development of the PT 6 and the JT 15 families of engines, UACL has developed from a minor supplier of replacement parts employing about 400 people to an internationally renowned developer and manufacturer of the most advanced types of small and medium-sized turbine engines having a wide variety of applications. The government's share of the financing—\$73 million—is much less than the investment by UACL and UAL at \$250 million.