June 15, 1983

[English]

#### GOVERNMENT POSITION

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the apologies are ridiculous. The Minister will know that as of December 20, last year, there were only 11 Canadair aircraft operated in Canada, nine of them by the Government or the Government's agencies, one by Canadair's banker, and one by a private individual, the only people who would buy them, even though they were the third largest consumers of aircraft. No one wants the aircraft. It is not all that good.

# Some Hon. Members: Not true.

**Mr. Blenkarn:** Why does the Government not tell us the truth? Why does it not let the committee find out about the waste, the extravagance, and the losses that the Government is burying in that aircraft company?

### Some Hon. Members: Hear, hear!

Mr. Lawrence: Yes or no.

### [Translation]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, unlike what the Hon. Member is alleging, the Government has not been afraid of the facts. We have analyzed the situation of Canadair. The Hon. Member was present when the results of that analysis were explained to Members of certain Committees of this House. The Hon. Member knows we have an excellent aircraft: the Challenger. We have had production and marketing problems, and we have a company that is preparing a financial and commercial recovery program for Canadair. We are going to develop new techniques for marketing the Challenger, and if the Hon. Member lacks the courage to meet this challenge, I am sure that we do have that courage and that we will succeed in marketing this outstanding aircraft.

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## [English]

#### SUPPLY AND SERVICES

## REGIONAL BREAKDOWN OF CONTRACTS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, my question is directed to the Minister of Supply and Services. The Minister's Department claims to have a regional procurement program, and the Minister pays lip service with respect to purchasing contracts being spread throughout Canada. However, the figures show that central Canada received 77 per cent of all DSS contracts, while the West received only 15 per cent and the Atlantic Provinces received only 7 per cent. How can the Minister justify this discrimination within his own Department against people who are working and living in eastern and western Canada?

Mr. Lawrence: That's where the taxes come from.

## Oral Questions

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, the hon. gentleman points to figures with which we are indeed very concerned and of which we are very conscious. I want to identify, for the hon. gentleman, that we are making every effort in order to—

Mr. Lewis: I'll bet you are.

Mr. Blais: —send into all the regions of the country as much of the Government's business as is possible. However, we do face some difficulty, namely, that in western Canada—

Mr. Lewis: You don't have any seats.

Mr. Blais: —there is not the sort of concentration of manufacturing that there is in central Canada.

An Hon. Member: Concentration of Liberals.

**Mr. Blais:** I might indicate to the hon. gentleman that one of the reasons for the Crow changes is exactly to encourage that sort of industrialization of western Canada—

Some Hon. Members: Oh, oh!

Mr. Blais: ---which the hon. gentleman, I am sure, wishes.

### POLICY ON AWARDING CONTRACTS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, out of \$5 billion worth of contracts from the Department, Saskatchewan receives 1 per cent. I will give the Minister an example. Westank-Willock of Regina has found it impossible to obtain contracts from DSS for hopper cars or design engineering for the Department of National Defence's medium logistic wheeled vehicle. The Minister has written to the company to say that, because it does not operate somewhere near Ottawa, it is too inconvenient to carry on and to receive a tender.

### Some Hon. Members: Shame!

Mr. Hnatyshyn: In light of these facts, and the policy apparently set by the Minister that if one does not carry on one's business somewhere near Ottawa one will not receive a contract, how can he justify this inherent unfairness? How can he justify this blatant discrimination against people who live and should legitimately expect to do business in eastern and western Canada?

Hon. J.-J. Blais (Minister of Supply and Services): Madam Speaker, the hon. gentleman should be aware of the fact that there is a company called SCD Systems in Saskatoon, with which he is undoubtedly familiar, which has indeed received a great deal of support from the Government of Canada.

### Mr. Epp: One per cent.

**Mr. Blais:** It has been provided with contracts because we have indeed been serious about increasing the level of industrialization of western Canada, including Saskatchewan. I would