

Labour Crisis in Aircraft Industry

Mr. Speaker: Has the hon. member leave to proceed?

Some hon. Members: Agreed.

Mr. Hellyer: I am practically finished, anyway. This stamp is a symbol of the hope of the Canadian people. If the government will take the necessary action to correct the situation before it is too late, we can take pride in this stamp issue. If it cannot, then the stamp should have been printed with the picture upside down. This complex, which has taken so many years, so much money and so much energy to develop, must not be scuttled now because of lack of application by the government.

We urge the Prime Minister to give us some assurance that our efforts today to focus attention on this problem are not in vain, that some immediate, positive, forward-looking action will be taken to stem the flow, to stop the exodus of Canada's future from this country, and to bring about that vision of national development which he has placed before us.

Hon. G. R. Pearkes (Minister of National Defence): Mr. Speaker, I should like to assure you that I and all those who sit here and support the government regret the hardship which is imposed upon those men who are, for the time being, facing unemployment. The hon. member for Trinity (Mr. Hellyer) has pointed out to us some of the sad cases. Every effort will be made to relieve that hardship.

However, I cannot share the the dismal forebodings which have been expressed by the hon. member for Trinity. He has referred to the fact that today is the 50th anniversary of powered flight, and today a replica of the Silver Dart flew a short distance this afternoon before it met with a slight accident. Fifty years have gone by and we have advanced a very long way, but it is not the end. It is the first 50 years of powered flight, and 50 years from today we will have soared to much greater heights than ever dreamed of a few years ago. We are entering a new era; we are not closing a book. A number of years ago, I suppose, the wheelwrights and coach builders were lamenting the fact that the motor car was being introduced. Unfortunately, as one moves forward in the world hardship and suffering is imposed by those triumphs which are achieved from time to time.

I am not going to continue in that vein. I do want to express, though, my regret that there are people who are today out of work as a result of the decision the government

[Mr. Speaker.]

had to make. In order that there may be a proper appreciation of the reason the government had for making that decision I am going to trace briefly, with the permission of the house, the origin and development of this particular project.

We have to think of the days when we were engaged in hostilities in Korea, and had entered what was then considered to be an era of limited warfare. We were surprised that the Russians had produced their MIG-17, which demonstrated their ability to produce a turbojet aircraft. Shortly after that the knowledge leaked out that the Russians had the atomic bomb. This made it necessary for the government of the day to reassess the dangers, the threat there might be against Canada. It became very obvious to the senior officers of the Royal Canadian Air Force at that time that there would have to be a supersonic jet fighter to replace the CF-100, and that requirement would have to be met by the year 1958.

Their plans, therefore, were based on the need to get a jet fighter which would be able to engage in combat with the jet bomber which the Russians might be able to produce by that time. It was imperative that we do so, because we had no agreement with the United States. We were standing alone. The only agreement which existed at that time was that if Canada were attacked and if war broke out, the United States air force would come to our assistance. There was no plan for co-operation existing at that time; we had no over-all agreement. A study group was set up in 1952 in order to examine the requirements that Canada would have in order to be able to defend herself. A replacement for the CF-100 was considered. It was felt at that time, because we stood alone, that we should require some 9 regular squadrons and 10 auxiliary squadrons, making a total of 19 squadrons, with an estimated requirement of some 500 to 600 aircraft of the advanced type.

Now, it was realized that aircraft were costing a lot of money at that time. They were expensive. The CF-100 had been costing about three-quarters of a million each. Of course if we were going to produce some 500 or 600 of the advanced type, that would be a reasonable number for production. The government at that time authorized the sum of \$30 million to go ahead with the development, in the hope that they would be able to produce an aircraft which would run about \$1.5 million to \$2 million per copy for a total of some 500 or 600.

A little later on, in 1955, Right Hon. C. D. Howe, speaking in this house, had this to say