

Canadair Limited Divestiture Act

The Chair has not made a decision as yet on the matter raised by the Hon. Member for Hamilton East. I thank all Hon. Members for their patience and their interest. The Chair will report to the House as soon as possible.

GOVERNMENT ORDERS

[English]

CANADAIR LIMITED DIVESTITURE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mrs. McDougall that Bill C-25, an Act to authorize the divestiture of Canadair Limited and to provide for other matters in connection therewith, be read the second time and referred to a legislative committee.

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I waited patiently to begin my speech just before one o'clock. I am pleased to participate in the debate. However, I am sorry to see the Government's decision to pursue ideology without looking at the alternatives and therefore to go ahead with the privatization of Canadair.

● (1530)

A number of Government Members have criticized the NDP for the position it takes on this Bill. They seem to have short memories. I remind them of a press release issued by the Minister of Finance (Mr. Wilson) during the 1984 election campaign. He said:

We will set up a separate Crown corporation for Canadair and de Havilland with a mandate for the development of the aerospace industry and not merely financial control. This organization will be responsible for developing in conjunction with the aerospace strategy so that Canadair and de Havilland will become commercially viable and will continue to be so into the next century.

It appears the Conservatives had a conversion after they came to power. It appears that the predilections of the former Minister of Regional Industrial Expansion convinced the Government that privatization was the way to go. As a consequence, an election promise enunciated by a senior member of the Conservative Party, the man who is now the Minister of Finance, was totally forgotten.

What was it that led the Conservatives to support continuing Crown corporation status for Canadair at that time, and what now leads them to change their minds? I do not presume to understand what goes on over there, but I want to put on the record that two and a half years ago they saw nothing wrong with continuing public ownership for Canadair. Since then we have seen them privatize first de Havilland and now Canadair. In the process they have put forward the argument that things have started happening with de Havilland and things will start to happen with Canadair. Of course. The reason things are starting to happen is because a decision has finally been made and the uncertainty surrounding those two Crown corporations is or has come to an end. That does not say the course of action

taken was the only one available. Far from it. However, they have at least ended the uncertainty and that is why there was a recovery in the number of jobs, for example, at de Havilland under its new owner, Boeing.

[Translation]

Well, Madam Speaker, the question of Crown corporations goes far beyond the restricted approach taken by the Government. Ignoring the commitment made by the Progressive Conservative Government during the election campaign, some of the previous speakers in this debate told us that privatization is a good thing for the companies involved as well as for Canada. The policy of the New Democratic Party relates to the fact that we are against this Bill to privatize Canadair because we do question the ideological position of the Conservatives, bent as they are on privatizing all Crown corporations.

Perhaps I might ask a few questions, Madam Speaker. Are Canadians prepared to endorse the privatization of Air Canada and CN, two national companies which played a leading role in the development of this country, or do they have reservations? Did the Conservative Government itself have privatization in mind when offering tax concessions to the Reichmanns to facilitate the dismemberment of Gulf so as to enable Petro-Canada management to acquire some of the Gulf assets and add about 800 service stations to their own network?

In fact, Petro-Canada invested about \$800 million in business expansion with the blessing of the Conservatives. Now will they say whether they are for or against privatization?

Some of the Members who took part in the debate on Canadair's future have implied that privatization was good because there was something basically healthy in private ownership, and that it was not easy in fact for Crown corporations to manage their affairs efficiently.

Now, Madam Speaker, I might suggest to Hon. Members opposite and also to those on the Liberal benches that the problem we face with Crown corporations in this country is to a major extent a management problem, the main reason for which is that neither Liberals nor Conservatives would admit that there is in this country a culture in Crown corporation economy. The main difference between our society and economy here in Canada and the ones in the United States is that we have used Crown corporations in a most creative way to set up important industries, develop the country's economy and provide Canadians with jobs.

[English]

We have used these Crown corporations in a very creative way. That is what sets us apart from our friends in the U.S. It puts Canada, in this area as in so many others, midway between the American way and the European way of doing things.

The problem has been one of management. I and many other Members read the criticisms in the report on public