

members of the Government say that they are not interested in getting a fair return or in increasing government coffers, that is the best indication that there is embarrassment on the government side about the low price achieved for the sale of this public asset.

I would like to illustrate for back-benchers just exactly what an appalling price they achieved for this asset. This asset did not belong to anyone other than the people of Canada. The poor price received represents a very serious cost to the taxpayers. The book value of this enterprise is undoubtedly much greater now, but at the time of the sale it was \$224 million. Its estimated technology value was \$300 million to \$400 million.

**Mr. Blenkarn:** To whom?

**Mr. Langdon:** One of the Hon. Members asked "to whom?" I think the case of de Havilland indicates that that was a tremendous giveaway. Now that the giveaway has taken place, de Havilland is making tremendous amounts of money. Precisely the same thing will happen in this case. I remind Members and people across the country that this company is not a basket case. Last year it made profits. According to the Government's own CDIC, the company has prospects this year of making profits close to \$30 million. Yet the total price in cash is \$120 million. We get a dividend of \$3 million and payment for an airport of \$6 million. I am not quoting from some kind of left wing magazine, but from the Government's own documents. It states that the deferred cash payments at present value for the royalties are worth \$20 million. The contingent payments for possibilities such as the CF-18 royalty amounted to between \$8 million and \$12 million. At the very most, it is a price which was well under the \$150 million for a company which cost the taxpayers of this country over \$2 billion to develop and now has a book value of at least \$224 million. All of this is before the awarding of the CF-18 contract which of course makes the company tremendously more valuable.

● (1640)

Personally, I cannot believe that one would put a clause in the documents which we received that permitted payment of royalties in the event of the CF-18 contract being awarded while at the same time having absolutely no thought that the CF-18 contract would be awarded. If there was enough uncertainty to put it into the documents in the first place, then the sale should have been postponed until it was possible for the company to be sold as an entity not just with the Challenger, not just with the pilotless reconnaissance planes, but also with this tremendously lucrative CF-18 contract.

I believe the people of Canada have been hosed on this deal. They have certainly given a Christmas gift to Bombardier, a company which I respect, but one that frankly does not have the required technology and has absolutely no background with respect to the marketing of aviation products. It is simply illogical to marry this company and Canadair. It surely makes

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far more sense to follow the advice of the Minister of Finance (Mr. Wilson) whereby we would have been able to combine de Havilland and Canadair and create the base in this country on which to have a high-tech, effective, world class aviation company that would be able to market its products world-wide. The question of whether the company was in the public sector, private sector or a melange of the two was far less important than the question of getting the right deal for Canadian taxpayers, and far less important than getting a potential enterprise in this country that would give us a role in aerospace in the future.

While the question of price is absolutely crucial, there are two further points we must consider. First, I suggest to Members of Parliament from Montreal in particular that there is no serious guarantee of jobs in this agreement. Second, and perhaps even worse, there is no guarantee that this company will not be sold by Bombardier. That irresponsibility, combined with the price for irresponsibility, makes this perhaps an even greater Christmas gift than the de Havilland gift that was given last year.

[*Translation*]

**Mr. Gérin:** By way of a comment, Madam Speaker, I should like to suggest to the Hon. Member who has just spoken that he should have his speech printed and distributed in the Eastern Townships, in Quebec, where I am sure people would be delighted to read it and continue to do what they have done repeatedly over the past few elections, namely, to reject the New Democratic Party outright, because it is essentially a party which is against workers, against Quebec. What my hon. friend has just done is extremely unfortunate. He has just spoken against a region which needed and still needs this investment.

I just cannot understand his attitude. On the one hand, there are a number of members of this party, especially the other one from Ottawa who is sitting over there—who visit the province of Quebec and say: This is fine and dandy: we are going to do marvels in Quebec.

On the other hand, when they are called upon to support a Bill which would help a Quebec firm, they will not. You wonder what they would do if they were in power. What would Quebec get? What would you give to Quebecers? You speak on both sides of your mouth. I suggest this is not right. You should be honest with yourselves. But if you just cannot be honest, I will. I will see to it that your speech is published everywhere in Quebec and that the people keep it in mind until the next election. This way, you will be rejected in Quebec just as you have always been.

**Mr. Cassidy:** Madam Speaker, since I have just been quoted by the Hon. Member, I will offer my friend the Hon. Member for Essex—Windsor (Mr. Langdon)—

[*English*]

**The Acting Speaker (Mrs. Champagne):** Order. I think it would be right if the House will allow me to permit the