

privatize a great many Crown corporations. The province set up something called BRIC, the British Columbia Resources Investment Corporation, and sold shares in the corporation. Some shares were sold for \$6 and other shares were given away. I think the shares are now worth \$1 on the market. It is an example of an abysmal failure of privatization. I hope the Government will avoid that in this case.

One of the concerns we have with Bill C-25 is that the Minister of Finance (Mr. Wilson) proposed in 1984 that the Conservative policy would be the formation of a super Crown corporation which would be responsible for de Havilland and Canadair. We now see a complete about turn and we want to know why. We want to examine that in committee. We want to look at how much is being paid for the company. Some \$120 million will be paid for the company when the Government put \$200 million into it. We want to have a look at the books of the company. We want to have some statements by the Minister and some of the company officials with respect to what is going on.

I trust that this Bill will be voted upon today in the House. There is that possibility. I can safely say on behalf of the New Democratic Party that we would be prepared to do that today. We will not hold the Bill up. What we would like to see is some consideration given to the formation of a legislative committee early next week. We are prepared to get the ball rolling as soon as possible in order to examine some of the details of this Bill. That is the only proper way to do things in Parliament. If we were not to do that, then we would not be performing our duties.

I draw to the attention of the House the speech I gave on December 1 in which I discussed the principles and some of the arguments for and against privatization. I hope other members of my Party will be speaking on those very points today.

Mr. Deputy Speaker: Are there questions or comments? The Hon. Member for Winnipeg North (Mr. Orlikow).

Mr. Orlikow: Mr. Speaker, I would like to ask my colleague a question. After the passage of this Bill the Government will have sold to the private sector the two major aerospace companies in the country, de Havilland of Toronto and Canadair of Montreal. Both companies were originally privately owned. In a period of recession, or depression, in the aerospace industry, and after showing years of loss, both of these privately-owned companies decided that they could not continue to operate, that they could not continue to absorb the losses. One cannot criticize them for that since, quite properly, private companies are in business to make a profit. When they cannot make a profit they want to cut their losses and sometimes get out of business. That is what these companies were prepared to do. If I remember correctly, the Government at the time, with the approval of the opposition Parties, made a decision in a modern, industrialized country such as Canada that we could not afford not to be in the aerospace industry.

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Thus the Government bought these companies. The Government has invested hundreds of millions of dollars in keeping these companies in operation and in providing thousands of jobs. The Government has provided these two companies with financial resources so that they continue to perform research and development which puts them at the forefront of the technological area in this industry.

Having invested hundreds of millions of dollars in keeping these companies going, in the case of de Havilland the Government has already sold the company to Boeing. Incidentally, Boeing, according to records we have obtained, made over \$2 billion of profit in the years 1980 to 1985 in the United States and did not pay one penny of tax.

Mr. Lewis: That's the private sector for you.

Mr. Orlikow: I am glad the Parliamentary Secretary is listening to me. That great American corporation in the five years from 1980 to 1985 made \$2 billion in profits. Not only did it not pay any money in tax to the Government of the United States but it earned a tax credit in the neighbourhood of something close to \$100 million. I would be happy to have the Parliamentary Secretary get to his feet to defend Boeing for that type of action. I hope that the Canadian Government is wiser than the American Government and does not permit Boeing to do that in Canada.

At any rate, we have sold de Havilland to Boeing for very little. We are now proposing to sell Canadair to Bombardier which is, at least, a Canadian company. My question to the Hon. Member is the following. What does the Hon. Member think of the possibility or likelihood that five or ten years down the road the aircraft industry will be in another slump, sales will be down and we will have either Boeing or Bombardier wanting to sell back the companies at a good price to the Government of Canada?

Mr. Waddell: Mr. Speaker, the Hon. Member who has been around the House much longer than I and who has seen many deals come and go has, of course, hit the nail on the head. We bail out companies in bad times. When things get better we sell the companies back to the private sector. Then when things get bad again, just wait and see, the companies will be back asking for government help.

As the Hon. Member alluded to in his remarks, the Canadian taxpayers under this deal will continue to assume Canadair's long-term debt of \$1.2 billion. The annual interest payments will exceed the cash price that Bombardier is paying for the company. It is paying just \$120 million for the company. Because of all the money that was pumped into the development of the Challenger jet and other technologies, it is a company whose technological value is about \$300 million. In January the purchasing company will receive a \$50 million federal grant and another \$30 million in federal defence grants thereafter. It just received a \$1.7 defence contract. I refer to the CF-18 repair contract. The company made profits of \$20 million in 1985. There was a profit of \$2.8 million in the first