

The Acting Speaker (Mr. Boulanger): The hon. member will have to read the rules. There is no such thing as a question of privilege or point of order at this stage, after ten o'clock.

Mr. Forrestall: I will invite the Speaker to point out to me where it is stated that a member cannot raise a question of privilege.

INDUSTRY—AIRCRAFT—INQUIRY AS TO STATEMENT ON ASSISTANCE AND FINANCIAL COMMITMENT BY GOVERNMENT

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, this morning in the finance committee hearing on estimates officials of the Department of Industry, Trade and Commerce indicated we are on the verge of hearing about a major policy relating to aircraft development in Canada. Such a policy is long overdue and I seek assurance that it will be an effective policy.

• (2210)

Recently I had the opportunity to visit Washington to study civil aviation. This program of visits was conceived and financed by the Donner foundation. I wish to acknowledge with thanks the opportunity provided to develop some deeper knowledge of the subject. What did I learn, Mr. Speaker? Firstly, that Canada is considered to be at the very front of STOL, that is, short take-off and landing aircraft development in the world, notwithstanding the fact that our entire industry is foreign-controlled. The Canadian branches have, in competition with each other, set the world's standard for STOL aircraft. A number of these planes are in demand and in use all over the world.

Secondly, I was able to come to the conclusion that an important future part of the aircraft industry is in STOL development. The 747 may be bigger, the Concorde may be faster, but the market for STOL craft is, in my view, far more promising. STOL aircraft appeal increasingly to noise and pollution conscious people. They are usable more conveniently in densely populated centres which are already built up and where land is expensive. Additional advantages add to their appeal elsewhere. In this developing world where infrastructural systems are not well developed and air transportation is only beginning to become popular, STOL craft are more logical and more marketable. They are a human-scale aircraft concept.

Thirdly, I confirmed that the aircraft industry is a very big business. Even in small plane technology large investments are required. But it is a big business of a special type. It seems that it cannot depend upon the private sector alone for inspiration, for financing or for marketing. The colossal bankruptcies in Britain and in France and the insolvencies in the United States demonstrate this. These three countries are in the aircraft business directly at the government level. This is true even in the United States which is so dedicated to free enterprise in other sectors.

In this situation, let us not see the Liberal government do a re-run of the Bomarc disaster with which the Conservatives smashed the Canadian industry ten years ago, sending thousands of skilled Canadian workers to United

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States jobs. Let us at least do what our industrial partners in other countries are doing; let us help, and help generously and quickly.

This debate does not give me the time to develop the spin-off benefits which a healthy aircraft industry will generate in our economy. Let me just assure the House that several hundred thousand jobs are related fairly directly to the industry in its present state. I should like to make one final point for the comment of the minister. The Canadian public, the Canadian investor, has never had a real chance to buy stock in a Canadian-based aircraft company. If you want any part of the Canadian action you have to buy stock in the United States or Britain. This situation should be changed. I believe there are many Canadians who would welcome the chance to share the risks of the industry, especially if the government had a commitment to it and a sensible and forthcoming policy.

For these reasons, I urge the minister to include in this policy encouragement to Canadian subsidiaries in the industry to go public in this country.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not in a position to comment at any great length in view of what my hon. friend said about the nearness of the expected announcement. If it will not concern the total restructuring of the aviation industry, it will at least have to do with a certain research and development project known as the DCH-7, having to do with the DeHavilland company.

I agree with almost everything the hon. member said: with the importance of STOL aircraft, with the fact that Canada is ahead in this particular area, the importance of attracting the private sector of the Canadian economy, the importance of government support and the spin-off advantages. The name of the game in this particular instance is to try to bring all these factors together, and this is where the difficulty lies.

One can very well claim that there is tremendous usefulness for STOL aircraft, but he has to make sure that it is put together as a system. One can say that there is a tremendous need for STOL aircraft in developing countries, but in most instances developing countries do not have the necessary finances with which to purchase these aircraft. Consequently, a financing program has to be developed. Support has to be given in some cases through aid programs, and so on.

It is the difficulty of packaging all the elements of this problem that has caused the government, the Minister of Transport (Mr. Jamieson) and myself great difficulties in recent times. We all hope the conclusion of these present efforts will be at par with the spirit of enthusiasm demonstrated by the hon. member tonight.

PUBLIC SERVICE—OPERATIONAL GROUP—USE OF REGIONAL RATHER THAN NATIONAL PAY SCALES IN BARGAINING—POSSIBLE CONFLICT WITH DREE OPERATIONS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I am fully conscious of the fact that my intervention this evening will not be of sufficient public interest and force to push the usual headlines involving wars, revolutions,