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Canada has never had a particularly large military industrial complex. Most of our sophisticated military equipment was purchased offshore. Many members would know, as would those watching, that one of the blackest days in the history of our country, at least in my opinion, was the cancellation of the Avro Arrow. By and large that put Canada right out of the high tech aerospace industry. Ever since that time we have been trying to force feed industry into areas of the country that may or may not need it, that may or may not get the industry because of political connections, political power, or power of the voter.

I submit that our country can no longer afford to artificially pick winners and losers. The fact of the matter is that if our world has changed and our country's defence posture has changed to the extent that the defence industries in a particular part of Canada, whether it is in Ontario or Quebec, are harmed because things change, then so be it.

It is up to those industries to convert or to find another use for their capital, for their people, for their industries. If they do not, they have every right to go out of business just like anybody else. Were this not the defence industry, if this were an industry of garment makers in Winnipeg, would we be having a debate in this House today that this House would condemn the government for not supporting garment workers in Winnipeg? I think we would not.

I want to acknowledge the help given by the Canadian Defence Preparedness Association in preparing the background paper I am using in my debate. It is interesting to note that Canada's defence industry, like most industry in Canada, is concentrated in Ontario and Quebec. For example, western Canada and Atlantic Canada each contain about 15 per cent of the total defence industry, whereas 70 per cent is in Ontario and Quebec, with 40 per cent in Ontario and 30 per cent in Quebec.

It is generally a high tech industry which is research and development intensive. That is particularly and precisely the kind of industry we want. However research and development in high tech industry is industry that depends upon the people who are part of that industry to stay alive. It is a fast moving industry. What is unique and innovative today could be tomorrow's hash browns.

We cannot have the government deciding where the high tech industry is going to be. The marketplace has to decide where the high tech industry will be and who will be the winners and losers.

It is also very interesting to note that according to this paper 70 per cent of the output of the manufacturing of the so-called defence industry in Canada is for the commercial or the civil market. At the same time, 70 per cent of this defence market we have in Canada supplies 70 per cent of the requirements for the Canadian defence department. That tells me that our defence industries in Canada by and large are already fairly diverse.

They are not, as they are for example in many places in the United States, entirely dependent on the manufacture of one item, such as an aircraft. For instance, in Canada we have seen nothing like the decimation of the aircraft industry in San Diego. It was highly dependent on military contracts for all of the research and development. The defence budget in the United States as compared to ours is just absolutely enormous.

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We do not have the same critical mass in the defence industry to start with and our defence industry, although concentrated primarily in Ontario and Quebec, is fairly balanced between these two provinces. It is not totally 100 per cent dependent on military manufacturing to stay in business according to this paper. That seems to me to be a fairly solid and a fairly good way to run a business.

Historically as a nation there are some areas where we have decided we were going to pay a premium in order to maintain an industry of our own. One is ammunition manufacturing. I think there is a place in Toronto that manufactures ammunition. Ammunition could be purchased offshore but we buy our ammunition at home.

I wonder whether free trade and the relationship we have under the GATT, but particularly under NAFTA, would allow for this kind of protectionism anyway.

I would also point out to my hon. friends that one of the reasons that people in other parts of Canada who do not directly benefit from the manufacturing heartland of central Canada, being Ontario and Quebec, just go crazy is the fact that it always seems to be necessary to protect the manufacturing base in central Canada. We have this insane situation even as I speak that we have to negotiate to break down interprovincial trade barriers.

We have 11 governments at the table trying to negotiate the decimation of these insane trade barriers. Think about it. That is more people at the table negotiating the removal of trade barriers within Canada than were sitting at the table to negotiate the removal of the trade barriers between the United States, Mexico and Canada. There were only three parties at that table and we have 11 in Canada.

We are debating a motion on whether our government, our taxpayers, people earning 10 bucks an hour, paying two or three bucks an hour taxes, should come to the federal government so it can decide who will be the winners and who will be the losers and we find ourselves subsidizing an industry for which there is no need.

We have to break down the trade barriers within Canada so we can be competitive within Canada. If we cannot be competitive within our own borders how on earth can we presume to be competitive in the world environment?