

*Oral Questions*

and to call as witnesses the executive officers of Boeing in Seattle, Winnipeg and Toronto?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, I would like to point out to the Right Hon. Member that the actual terms of the agreement were made public. They were made public in this House. The actual terms of the agreement have put an end to expenditures that had become an incredible burden on the Canadian taxpayer in recent years, and which totalled more than \$800 million. It is an agreement that will save Canadian taxpayers several hundred million dollars in the years to come. It is an agreement that will create jobs. It will create investment. It will keep an important Canadian industry alive and well.

[English]

## PROVISION OF TAX INCENTIVES

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, it is an extraordinary situation when a company belonging to the people of Canada is being sold, yet the people of Canada through their representatives in the House cannot see the terms of the agreement.

The hon. gentleman talks about the Canadian taxpayers. According to what we have been able to calculate from the vague terms that have been rendered public, the Boeing Company will receive tax incentives and grants to the amount of about \$600 million. How can the Minister justify that, when there were Canadian purchasers available to buy this company who were not asking for that type of guarantee or that type of incentive at all?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, once again the premise of the question is wrong. We looked at the various bids. They were considered by a number of outside experts. We selected the best bidder in the best interest of Canada, Canadians, and of taxpayers.

## FUTURE AIRCRAFT PURCHASES BY AIR CANADA

**Hon. Bob Kaplan (York Centre):** Mr. Speaker, my question is directed to the President of the Treasury Board. Air Canada estimates that in the next 10 years it will buy a billion dollars worth of big jet planes. These planes are made by Airbus in Europe, McDonnell-Douglas, and Boeing. Canadians will want Air Canada to buy the best planes at the best price.

● (1420)

Has the Minister considered that those jobs at de Havilland, are now a hostage for Boeing to put pressure on the Canadian Government and Air Canada—

**Some Hon. Members:** Oh, oh!

**Mr. Kaplan:** —to buy Boeing's planes and to buy them at Boeing's prices?

**Mr. McDermid:** Are you ever desperate.

**Mr. Kaplan:** Did the Government consider this compromise to our independence and our integrity? What is there in the deal to be sure the independence and autonomy of Air Canada and of the Government in this purchase decision will be preserved?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, I can honestly answer the gentleman that there were no such guarantees sought by Boeing, no such guarantees offered by the Government of Canada, and there is no link between this transaction and any future Air Canada purchases.

**Some Hon. Members:** Hear, hear!

## REQUEST FOR PARLIAMENTARY REVIEW

**Hon. Bob Kaplan (York Centre):** Mr. Speaker, although the Minister of Regional Industrial Expansion told this House on December 11 that the transaction will be reviewed by Parliament before completion, the Government is moving back on that deal. If this deal is so bad, why will the Government not submit it for a review by Parliament before closing, and honour the promise made by the Minister on December 11?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, it is quite clear that members of the Opposition have made up their minds about this matter. We have had a full day of debate. We have had a vote in this House approving the deal.

**Mr. Chrétien:** When?

**Mr. de Cotret:** Let me tell you, Mr. Speaker, the Government made up its mind to go ahead and sell de Havilland to Boeing because it is the best thing for Canada.

**Some Hon. Members:** Hear, hear!

## 1984 PROPOSAL TO MERGE DE HAVILLAND AND CANADAIR

**Mr. Mike Cassidy (Ottawa Centre):** Mr. Speaker, I have a question for the Minister of Finance with respect to the sell-out of de Havilland and the possible sell-out of Canadair. I would like to point out to the Minister that this House has not had a single opportunity outside this Chamber to question Ministers or to question the people involved in the sale of de Havilland.

On August 21, 1984, the Minister, speaking for his Party, said:

—that a Conservative Government will set up a separate Crown corporation for Canadair and de Havilland—that the Government would make them commercially viable and would continue to do so into the next century.

Was that an election promise on behalf of the Conservatives? Will the Minister explain why it has now been broken?

**Hon. Robert de Cotret (President of the Treasury Board):** Mr. Speaker, I am very happy to answer the Hon. Member's question. That possibility was discussed time and time again