

Oral Questions

I will repeat what I said. You can start a fear-mongering campaign in Canada. That is not what we say. We say: "Let us have a proposal. We will look at the proposal, and don't worry, we know how to manage Investment Canada."

Mr. Jim Peterson (Willowdale): Mr. Speaker, let us look at our record. Canadians have invested over \$1 billion in the Dash-8 program and now the governments of Italy and France want to acquire de Havilland in order to enhance their own aerospace programs. What is more, on March 8 of this year the minister for industry said that he was prepared to consider financial assistance to those two governments to help them acquire de Havilland.

Some hon. members: What?

Mr. Peterson: Mr. Speaker, is it not time that this government stood up for Canadian industry and Canadian workers in the same way that the French and Italian governments stand up for theirs?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend makes an interesting point and perhaps a very significant one about the role of these governments with regard to possible employment opportunities in Ontario, very important and very significant. It had not come up, but I can tell him now that the Government of Canada would entertain very seriously an offer from the Government of Ontario to take over the de Havilland operations.

An hon. member: What a mean spirited answer.

Mr. Jim Peterson (Willowdale): Mr. Speaker, just look at what will happen when the French and Italian governments are the new owners of de Havilland. They will have to choose between production of the ATR series, their own aircraft, or the Dash-8 of de Havilland. They will have to choose between jobs for French and Italian workers or jobs for the 4,900 de Havilland workers at Downsview. They will have to choose between Italian and French suppliers or the 85 Canadian suppliers of de Havilland.

There is no quicker way to ruin de Havilland than to sell it off to our major international competitor. We ask

the government today to say no to this, the worst of all business deals for Canada.

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I said in my first answer, and I repeat, there is no proposal yet by Alenia or by Aerospatiale.

As soon as it is received, Investment Canada will consider the business plan. Of course, we can do what they do. We can try to get the feeling of people in Ontario to determine the future of de Havilland.

As a minister, I prefer to be coherent. I put the rules of Investment Canada, and I want to respect them. There will be a proposal and we will consider it. Then we will give the answer. Is this not coherent?

* * *

OPEN SKIES

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of Transport.

Tomorrow, the minister and U.S. Transport Secretary Skinner will begin renegotiating the Canada-U.S. bilateral air agreement. The minister knows that there is strong support for improving that agreement, except for the "c" word cabotage which gives American carriers the right to compete for Canadian traffic within Canada.

Will the minister remove the threat to the Canadian airline industry and take cabotage off the table tomorrow?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, as I suggested yesterday to a group of industry and labour representatives, Open Skies is part of a solution and not part of a problem.

I said at that time that there is a great temptation in troubled times to try to hide away from competition. That is not the way we can expand our airline industry.

We are going into these negotiations in an effort to expand our airline industry, and we intend to do that.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, yesterday in his speech, the minister used the unanimous report of the Special Committee on Transport to support his position.