

Supply

making an environmental garbage truck that handles wet, dry, and recyclable garbage all in one unit.

It used its skilled labour to do the conversion. It did not get any grant money from the Government of Canada. What it did was enhance its marketing team by one or two people and participated in a few more trade shows in South America and the United States. It used the resources of the Export Development Corporation for credit lines and guarantees and a combination of those instruments, plus its banks are becoming a little bit more receptive to this type of environmental technology that is exportable. Right now the company has so many orders it cannot fill them.

I think it important that we communicate to those people who are in this conversion mode that they cannot just rely on the old system of funding because we are in a very difficult fiscal framework and we have all acknowledged that. I know the member acknowledges that.

Could the member not see that we could use the existing instruments like the Export Development Corporation, the chartered banks and some of the new creative funds they have and the enhanced marketing services of the export marketing development unit of the department of the minister of trade. Maybe through a little bit more creative thinking we could bridge that transition and that could help us get people back to work a little more quickly without adding further to the deficit and debt.

Could he consider that as a possible option?

[*Translation*]

Mr. Ménard: Mr. Speaker, as you know, it is always a pleasure to debate with the member opposite, probably the most faithful listener I have, but I think the hon. member is mistaken on several counts. First of all, I specifically stated, at the beginning of my speech, that the tightening of the market is closely linked to international conditions. Now, I feel the question put by the hon. member is somewhat partisan, since it implies that the businesses I talked about are a little passive, that they depend on the government and are not really unhappy about the whole situation.

• (1045)

I found that a bit strange, Mr. Speaker. Do you not think that a business which has been operating on a specific market and which has to lay off 600, 700, 800, 900, or 1,000 workers would have, all by itself, considered developing a strategy plan to find some new niches and some new markets?

In fact, in some cases, businesses have, on their own, presented the government with a conversion plan. In a number of cases, the government was provided with conversion plans, and there is supporting material to prove it. However, according to

professor Bélanger, whom I hope the hon. member will have the privilege to meet some day, there are structural obstacles to conversion.

First, in many cases, these firms do not know the new markets as well as the ones they used to operate on. Very often, in order to proceed with the conversion process, they need to change their production technology, which requires significant capital expenditures, something they cannot always afford.

But should this whole debate not rather deal with the fact that the DIPP, for historical reasons which cannot be denied, tried to maintain in a state of dependency a number of businesses involved in research and development in the military sector? Is it not socially responsible for the Official Opposition to argue— notwithstanding trade fairs, which I know the hon. member likes a lot—that there will be no conversion without a comprehensive approach, without the government's support?

Nobody says that that conversion process has to be the exclusive responsibility of business; no company says that either. Professor Bélanger interviewed people from over 80 companies. They are ready to play their part, they are aware that there is an element of strategic planning involved, and they also know that it is incumbent upon them to take the first step. No company denies that.

But we have to recognize that the government has a responsibility. It must take a comprehensive approach to this issue, provide a tool that will give impetus to the process and make funds available because of the studies that often have to be conducted. I am not talking here about annual funding. I am talking about funding a process over five to seven years.

I partly agree with my hon. colleague, and I will conclude my remarks by saying that, yes, businesses must take the initiative of looking for new markets, but they have the right to expect the government to provide them with a tool, and we are telling the government that the tool they need is the DIPP.

Mr. Jean H. Leroux (Shefford): Mr. Speaker, first, I would like to congratulate the hon. member for Hochelaga—Maison-neuve for the soundness of his remarks.

We, in the Bloc Québécois, consider the conversion of defence industries to be of great importance and we think that government members too, when sitting in the opposition, believed that to be important. It seems that changing sides in the House also means suddenly changing argument.

So I have a question for my hon. colleague. I would like him to explain the position of the Bloc Québécois and also the different stages it would be important to go through. Government members opposite keep saying they want to listen; so I hope that at some point, after we have explained to them one last time what it is they should do, they will stop listening and finally take action.