

Supply

I noticed that the joint committee was much more concerned with preparing trips to Oslo, Brussels and eastern and western Canada. Take a good look at the schedule of the joint committee for the coming weeks and months, Mr. Speaker, and you can see for yourself. I think that five, six or seven trips have been planned to see how other countries in the world go about defining a new defence policy. I have nothing against that but, in the meantime, there are men and women working in our defence factories and we should talk about conversion for their sake. Meanwhile, we are discussing the trips we will have to make to see how other countries deal with the end of the cold war, how they will redesign their defence. This may have to be done but not at the expense of conversion.

• (1240)

Certainly, since the end of the cold war, people throughout the world are calling for a disarmament and peacekeeping policy rather than an armament policy. And this makes me the happiest man in the world. If every country in the world could pursue a disarmament and peacekeeping policy, I think that, as the evidence shows, disarmament and not war makes people happier. Except that it has major economic repercussions.

We know that for many years the richest countries in particular built defence factories to arm themselves. They armed themselves to the teeth. Until the east bloc collapsed, we lived with the stress of the cold war between east and west. In the meantime, of course, our defence factories were kept busy. People were hired to make ammunition, guns and shells. They were working but not, in my opinion, for a good cause. I prefer disarmament to armament and so much the better if we are already there. Except that, as I was saying earlier, one of the economic repercussions of disarmament may be unemployment. It has already started.

But, at that time, the government was proud of the factories making its guns, ammunition and shells. And it was making them work at what was called "cost plus". They were told, "Make the equipment and we will pay you whatever it costs". Since these plants could take the time they wanted or just about, the workers were not very efficient because they were not competing against other countries.

The country that had built these plants bought the equipment at cost. So if workers took one and a half instead of one month to make a gun, they were paid for a month and a half. Consequently, defence industries now wanting to switch to civilian production have to improve the profitability of those new products which will compete on the market.

I listened to the Parliamentary Secretary to the Minister of Industry and he seemed to evade his responsibility by saying that the issue concerns the private sector and not the government. Yet, the government was quite pleased to have these

industries when it needed them. Now that it does not have the same need for these companies, it lets them down. The government has a duty to ensure that these defence industries are able to switch to civilian production.

As you know, arms production has been experiencing difficult times since the late eighties. This is an enormous market estimated at over \$450 billion worldwide. Indeed, it is a market which involved billions of dollars. There has been a drop since 1987, and especially in 1994. It is expected that this \$450 billion figure will drop by 25 per cent in the next few years. As a consequence of that pattern, 600,000 jobs have disappeared in European defence industries since 1987.

• (1245)

In the United States, the figure is 700,000, while in Quebec the drop is proportionally the same. This sector is in a state of collapse. It is being abandoned but the government cannot let down all these plants, employers and employees, chemists, engineers and qualified workers after using them for its needs and the needs of its military forces.

Now that we no longer place orders, we do not have the right to abandon these industries. That is why I urge the government to take money out of the defence budget, or the environment budget, or any other budget for that matter, since it all comes out of our pockets anyway, and to use that money to provide these plants not with hand-outs, but with assistance in areas like research, development, expertise, or capabilities. I urge the government not to let these plants down, because in the next few days, weeks and months, these plants will need to turn around their whole production.

The jobs in those sectors were mostly in Quebec, and especially in the Montreal area. The impact on its economy is significant. The cancellation of the famous helicopter deal did hurt for sure, but we, in the Bloc Quebecois, were all for it, except that the government forgot one thing. After cancelling the deal, which saved Canadians \$5 billion to \$6 billion, the government should have used parts of the savings to set up an Industrial Conversion Assistance Fund, which it chose not to do.

The government let the defence industries down and pocketed the \$5 billion to \$6 billion it saved by cancelling the helicopter contract. Yesterday, I was watching television and I saw the prime minister who was taking stock of his first six months in office, and bragging. He said "one of our first achievements" is the cancellation of the helicopter deal, which he had promised to do during the election campaign.

And at one point, reporters asked the Prime Minister who had just enumerated his good deeds if he did not make mistakes. The Prime minister scratched his head and said: "I cannot think of any."