

1966 under the leadership of the Right Hon. Lester B. Pearson, and the Bill was actually moved by the current Deputy Prime Minister (Mr. MacEachen). The only opposition in the House to that Bill came from Tory and Social Credit Members. The medicare program has been strengthened during the tenure of the current Prime Minister (Mr. Trudeau), and the Tories did not do anything during their sojourn in office. These are the facts, Madam Speaker, and Tory leadership candidates should be advised that their high flights of fantasy will not go unnoticed and unchallenged.

● (1415)

ORAL QUESTION PERIOD

[English]

CROWN CORPORATIONS

RESIGNATION OF PRESIDENT

Hon. Sinclair Stevens (York-Peel): Madam Speaker, in the absence of the Prime Minister perhaps I could put my question to the Minister of National Revenue who, I understand, reports to the House with respect to Canadair. In view of the rather sad saga that continues with respect to Canadair, would the Minister indicate what he can tell the House about the resignation of Mr. Kearns, what severance arrangements have been made concerning Mr. Kearns, and who his replacement will be as chief executive officer of Canadair?

[Translation]

Hon. Pierre Bussières (Minister of National Revenue): Madam Speaker, as far as Mr. Kearns' resignation is concerned, I have no comments. I feel that any comments would be up to Mr. Kearns himself. As far as the conditions regarding his early retirement are concerned, I have no details. I shall, in fact, be informed of these conditions at an information session tomorrow. Regarding his replacement, as soon as that information is available, I shall be pleased to give it to the House and to the Hon. Member.

[English]

INDEBTEDNESS OF CORPORATION

Hon. Sinclair Stevens (York-Peel): Madam Speaker, I see the Prime Minister has come into the House so I shall put my supplementary question to him. The Minister of National Revenue has attempted to answer three questions, but the Prime Minister has an over view with respect to Canadair.

In view of the October, 1982, Cabinet document that set out in detail some of the problems that Canadair was living with, including the fact that its indebtedness might reach \$2.3 billion, would the Prime Minister indicate to the House why the then president of Canadair, Mr. Kearns, was allowed to come before a Committee of the House in November and not make full disclosure of the plight of Canadair? In particular, why was he allowed to make estimates that have turned out to

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be quite wrong concerning the break-even point for Canadair, the number of sales for Canadair, and the true magnitude of the calamity regarding that company?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I did not, of course, attend that Committee meeting. I am convinced that Members had complete and total freedom to ask Mr. Kearns' views on a number of things. It appears that some of his views leaned to the optimistic side. I think he would have to answer for his answers. The Government certainly did not give him any instructions to answer the questions of Committee Members with anything but the truth as he saw it.

REASON FOR LOSSES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, I have a supplementary question for the Prime Minister. Since he has been alerted to the problems of Canadair, he undoubtedly knows that the public and the House have not been furnished with an annual report of Canadair for 16 months. Would the Prime Minister indicate to the House what is the problem? Is it true that the auditors were hesitant about signing an unqualified certificate with regard to the statements?

Second, can he explain to the House why, when an American company, Gulfstream, was able to make \$86 million selling a product competitive with that of Canadair, Canadair had to run up millions of dollars in losses in 1982?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I am sure the Hon. Member can speculate upon the latter part of his question as well as I can. Most of the aircraft companies in the industrialized world have been losing money at this time. It is possible that the one noted by the Hon. Member has made money. So much the better. If we had been able to make money we would have preferred that, but I do not think the Hon. Member can express astonishment that there has been a serious curtailment of purchases by the market of the type of aircraft that Canadair was producing.

● (1420)

CERTIFICATION OF CORPORATION'S PROFIT

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Prime Minister as well. The Prime Minister perhaps knows that P. J. Aird, Senior Vice-President of Finance for Canadair, certified to the Finance Committee on November 16 that Canadair had a profit after taxes of \$1,435,000. Can he advise this House why it is going to be necessary, probably later today, to receive Supplementary Estimates "A" indicating an advance to Canadair in excess of a \$1 billion, if that certification by Mr. Aird was an honest certification? If it was not an honest certification, why is Mr. Aird still employed by Canadair?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I must repeat my answer to the earlier question, that I was not in attendance at that Committee and I do not know