

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I am amazed at the Hon. Member for Victoria (Mr. McKinnon) and the arguments which he has advanced. Surely he does not take himself seriously, nor does he take his argument very seriously. How can the hon. gentleman be at odds with the Hon. Member for Rosedale (Mr. Crombie) who, before the Hon. Member for Victoria rose, indicated that he fully approved of the role which EDC played, that Canada cannot survive in an international environment without the promotion of exports, and how instrumental EDC has been in promoting exports and creating jobs within Canada?

In today's marketplace, Mr. Speaker, there is no question but that if you wish to strengthen your manufacturing capacity you must sell abroad.

Mr. Malone: Who says?

Mr. Blais: The Hon. Member for Crowfoot (Mr. Malone) says, "Who says?" the fact is, he knows full well that the industry which supports his constituents would not be able to survive were it not for exports. Of the grains grown in Canada, 66 per cent are exported. The only way I can suggest there is any relevance for the Canadair issue in this debate is because the Hon. Member for Victoria wanted to tie the aerospace industry into exports. It is true that in the aerospace industry, which now involves approximately 40,000 workers in Canada, 80 per cent of that industry's production is for export. The hon. gentleman knows that, he was the critic for National Defence. Having followed the evolution of dossiers in National Defence, he knows how important exports are in maintaining a defence production manufacturing base in Canada. Yet he finds objections to a doubling from \$1 billion to \$2 billion of the line of credit of the EDC in order to facilitate the financing of exports. I just do not follow that sort of reasoning.

● (1540)

The other point I just cannot accept from the hon. gentleman is his castigating the Canadair Challenger. He criticizes the Government concerning certain actions which might have been taken in the past relating to the financial arrangements of Canadair. That has been done before in this House and in committee as well. But what he was saying, Mr. Speaker, is that somehow the Challenger was a poor investment. I personally was involved in that from my very early days in Government and I look back upon it with a great deal of pride because there was a very high risk at the time and the then Minister of Industry, Trade and Commerce, the now Minister of Energy (Mr. Chrétien), identified that risk. But this Government and Canadair assumed the risk, and as a result we now have the Canadair Challenger which is the single most effective executive jet rolling off a production line today.

The hon. gentleman knows very well that the Lockheed JetStar is now no longer produced and that the only competition for the Challenger is the Gulfstream III. The international community recognizes that in terms of fuel efficiency, range, passenger comforts, economy of maintenance and

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performance, the Challenger is superior to any of the competition.

Mr. Blenkarn: You know better than that.

Mr. Blais: Mr. Speaker, 20 civil aeronautic records have been broken by the Canadair Challenger. I do not know whether it is because he is from Toronto and the Challenger is manufactured in Montreal and the old competition between those two metropolitan centres is at play, but the Hon. Member for Mississauga South (Mr. Blenkarn) has given himself a mission of attempting to defeat the success of the Canadair Challenger in the Canadian market.

Some Hon. Members: Shame!

Mr. Blais: This is to the detriment of the workers, not only those involved with Canadair but also in the whole supply network, some of whom are in the hon. gentleman's own riding.

I am suggesting, Mr. Speaker, the fact that has to be learned here is that Canadian technology is superior once Canadians take the trouble to develop it and bring it into the marketplace. We have had some losses with the Challenger, but in effect that money did not disappear into thin air. It went into development costs, paying suppliers and workers in Canada, and it provided us with the best aircraft of its class anywhere in the world. That is a fact. But what is happening because of the Opposition's criticism of that aircraft? I was in Bromont, Quebec, to open the new blade and vane plant that General Electric built as a major part of the offset program for the purchase of the CF-18 from McDonnell Douglas. That offset is valued at close to \$500 million within the next 15 years. I spoke to people who utilize executive jets, from the U.S. as well as from Canada, and they asked me, "What is the matter with you Canadians? Why is it that you criticize your own best technology? We are hesitating about buying Challengers." I asked why. They said, "Because we do not know if you are still going to be in production by the time we reach the mid-life of that particular aircraft. We do not know whether people on the other side are going to want to maintain production of the Challenger. That is why we are concerned about making an investment of over \$10 million." That is the point they were making, because they say that when they fly an aircraft, they just do not buy it for today, they buy it for the next 25 years and they need to have spare parts and logistic support, and they have to know that the aircraft is going to be in production. Well, Mr. Speaker, I told them right there and then that as far as this Government was concerned, we were going to keep the Canadair Challenger in production.

Some Hon. Members: Hear, hear!

Mr. Blais: However, Mr. Speaker, I said I wanted them to get to their friends on the other side of the House who were destroying, through their vituperative attacks on Canadian technology, our ability not only to save jobs in Canada but also to make Canadian technology available and popular in the