



# CANADA WILLING TO WORK WITH BOMBARDIER ON SHARE STRUCTURE: MINISTER

News / Manufacturer



Canada is willing to "find a solution" with Bombardier Inc as the parties consider the company's dual-class share structure during talks on a \$1-billion government fund-infusion, the minister responsible said late on Saturday.

The struggling Canadian aircraft maker Bombardier has asked for \$1 billion from the federal government to support its new C-Series passenger jet, though sources have said the government is concerned by the share structure that grants the founding family control despite their holding a minority stake. Critics say the structure means it is hard to push through needed reforms.

"We're willing to find a solution with them, but these are part of the discussions we're having," Innovation Minister Navdeep Bains said when asked whether the government will still invest in Bombardier's C-Series planes if it keeps the share structure that favors the Bombardier-Beaudoin family.

Bains was speaking on the sidelines of an event in Toronto by the Indo Canadian Chamber of

Commerce.

Bombardier's CSeries had been billions of dollars over budget and years late. The province of Quebec, where Bombardier is based, has already invested \$1 billion in the series.

The company's chief executive Alain Bellemare has since said the company has turned the corner with its CSeries, after Delta Air Lines in April made a pivotal order of 75 planes.

But rival jetmakers and analysts say the planes were heavily discounted, and may cause other potential customers to demand similar prices, keeping the CSeries in the red.

Bains said the government's priority in the talks is in making sure jobs, research investment and the company's headquarters remains in Canada.

The talks on federal investment are ongoing, though Prime Minister Justin Trudeau has told Reuters he does not see the government walking away.

Brazilian planemaker Embraer SA has said it may challenge the state funding received by Bombardier before the World Trade Organization, saying that gives the Canadian company an unfair advantage.

Bombardier could not be immediately reached for comment.

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**SOURCE: REUTERS**

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