

Government Orders

• (1525)

[Translation]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, question No. 61 will be answered today.

[Text]

Question No. 61—Mr. Axworthy:

Does the government plan to spend money through public and private agencies, on communications relating to initiatives undertaken by the Department of Human Resources Development from January 1, 1994 to December 31, 1994, and if so, how much?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Yes; \$13.95 million.

[Translation]

The Acting Speaker (Mr. Kilger): The question as enumerated by the parliamentary secretary has been answered.

Mr. Milliken: Mr. Speaker, I would ask that the remaining questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

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[English]

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I ask that the notice of motion for the production of papers stand.

The Acting Speaker (Mr. Kilger): Shall all notices of motions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

PEARSON INTERNATIONAL AIRPORT AGREEMENTS ACT

Hon. Douglas Young (Minister of Transport) moved:

That a message be sent to the Senate to acquaint Their Honours that this House disagrees with the amendments made by the Senate to Bill C-22, an act respecting certain agreements concerning the redevelopment and operation of terminals 1 and 2 at Lester B. Pearson International Airport.

He said: Mr. Speaker, today I am proposing that the House of Commons respond to the Senate's message, which proposed amendments to Bill C-22, by indicating the complete rejection by this House of its amendments to a bill which seeks to cancel the contracts entered into by the previous government concerning the redevelopment and ownership of terminals 1 and 2 at Lester B. Pearson International Airport.

Bill C-22 was designed to cancel the agreements between Her Majesty and the T1 T2 Limited partnership. These arrangements were entered into, as everyone knows, during the dying days of the last government now nearly a year ago. The agreements turned over the development and operation of terminals 1 and 2 at Lester B. Pearson international for 57 years to a group of private developers.

The agreements were examined and were found not to be in the public interest. The facts in arriving at this determination can be stated very succinctly. The agreements as I indicated were signed just weeks before an election. They did not contain a cancellation clause when the government of the day had to know it was going to lose the election and the deal was being widely questioned. The agreement was for 57 years, 20 years more than the normal amortization period for buildings and the time normally associated with the recovery of this kind of an investment.

The after tax rate of return has been estimated by some at 14.2 per cent. However, this figure does not take into account profits the individual partners would have realized on contracts they held with the partnership. The actual rate of return for the partners in this deal would be more in the order of 28 per cent.

The original tender period was for 90 days, then it was extended to 120 days. The submissions that were received covered thousands of pages of technical and financial information because the process in effect had granted an enormous advantage to those companies that had lobbied the government for the project. They had made their preparations and they were ready when the tender call was issued.

One of the proponents had commenced lobbying to achieve the privatization of these terminals in mid-1989, had submitted an unsolicited proposal, offered policy advice to then ministers of the crown. Surely this is not a normal tendering process or acceptable practice.

The Leader of the Official Opposition, now the Prime Minister, indicated clearly before the election and while this deal was being consummated that the deal would be reviewed.

I could go on with the list of unusual elements in this process that Mr. Nixon described in his report as flawed. I do not really think it is of much use at this stage. We have gone through it over and over again.