

*Air Canada*

decisions that would be detrimental to the minority shareholders. The Canadian law protecting minority shareholders says this very clearly. So we will have an absolutely crazy situation where the Government will still own 55 per cent; it will be the largest shareholder, the majority shareholder, but it will have no say and will be powerless to act. The minority shareholders will control the company and most important, the Government will abdicate its power to issue directives to the company to maintain essential services in remote areas or to continue to serve some lines considered important for the national interest.

As the previous speaker was saying, we are wondering why the Government is so determined to undo something that was working so well. You do not take apart what is going well unless you are a Conservative Government. And this is not the first good company that the Government is destroying. We see what it is doing with Canadian National. We see what it has not been able to do despite all the promises to VIA Rail and we wonder what will happen with this hybrid decision that sooner or later may harm Air Canada's viability and efficiency. In reality, if no one buys these shares that will be put on the market, if this half-sale is not successful, Air Canada's whole future is threatened.

For Air Canada's fiftieth anniversary, we wanted to emphasize that it is one of the world's most profitable airlines, that it is very well managed and that it has won international awards. The most recent was the award of excellence for best passenger service given by Air Transport World.

In rejecting the argument that Air Canada must be privatized so that it can renew its fleet of aircraft, we asked the Government then to stop undermining the public's confidence in their national carrier.

We had suggested a much wiser and much more realistic alternative, and that was to change the Air Canada debt to equity and make sure it could secure loans at preferential rates to renew its fleet as was done in the past.

We had also suggested that the Conservative Government should be committed to maintain the unwritten rule whereby, as we did before, Air Canada would be given certain advantages with regard to international and transcontinental routes as compensation for maintaining service to non-profitable Canadian communities.

Quite clearly the Government chose to ignore this suggestion made by the Official Opposition, by the Liberal Party of Canada. Today we are faced with a Bill which most unions representing Air Canada employees find unacceptable.

Perhaps I might just read this newspaper article, and I quote:

● (1320)

[*English*]

"Three Air Canada unions begin campaign to halt privatization". The article states that unions representing two-thirds of Air Canada's employees have launched a campaign to stop the

planned privatization of the Crown owned airline and to defeat the Conservative Government in the next federal election.

"You propose to sell out not only our members but all Canadians in disposing of our national asset", said representatives of the International Association of Machinists, the Canadian Union of Public Employees, and the Canadian Autoworkers Union in a letter which was recently sent to the Prime Minister (Mr. Mulroney).

"We will do our best to educate all Canadians in the true meaning of your duplicity so that you receive your just political reward in the next election", the three-page letter concluded.

[*Translation*]

I think the spokesmen for the employees are justified to use such harsh words about the Prime Minister (Mr. Mulroney). As everyone recalls, not long after the last elections the Prime Minister of Canada went to Montreal to see his close friend Louis Laberge to discuss various issues, particularly the future of Air Canada. At the end of their meeting, union boss Louis Laberge told newsmen in the presence of the Prime Minister who could have denied everything had it not been true: "The Prime Minister has just assured me that Air Canada will not be sold! Air Canada is not for sale! Canada needs a national airline", said the Prime Minister.

Well, like in the case of so many other unkept promises, we realize today that if the Prime Minister says something the contrary is bound to happen.

I see that the Hon. Member for Brampton-Georgetown (Mr. McDermid) is getting all worked up and taking upon himself to tell me that this quote of the Prime Minister is not complete.

The Prime Minister and the Deputy Prime Minister have invented remarks to justify the sale of Air Canada. Louis Laberge was not told half of the sentence when he met the press in Montreal following his meeting with the Prime Minister. He did not tell the people: "Half of Air Canada will be sold". He told them: "The Prime Minister has assured me that Air Canada is not for sale!". These are the facts and it is not the Hon. Member for Brampton-Georgetown who will convince me that Louis Laberge does not know what he is saying. The reality is that the Prime Minister had said that Air Canada would not be sold. In line with many other promises which the Prime Minister had made and not kept, Air Canada will be sold because of this bill, and the Tory Government will be held fully accountable for that.

Air Canada is a most successfully run corporation which has greatly contributed to the Canadian economy, which has enjoyed record economic growth, which has A-1 employees, very competent officials who administer it in a remarkable fashion and which is second to none as a national airline. Air Canada is one of the best airlines in the world. Because the Tories do not want to finance the loan which this company needs to renew its fleet, they want to sell it off and make it