

Air Canada

Yesterday we saw the sell-out of the country by the Government in the free trade agreement that the Prime Minister struck with his good friend, Ronald Reagan. I note with interest that the last good friend of the Prime Minister's good friend, Edwin Meese, has resigned under yet another cloud of scandal and—

[*Translation*]

Mr. Grisé: A point of order, Madam Speaker.

The Acting Speaker (Mrs. Champagne): The Hon. Parliamentary Secretary on a point of order.

Mr. Grisé: Madam Speaker, I would suggest that the Hon. Member for Ottawa Centre (Mr. Cassidy) is straying far off the motion under consideration which has to do with the privatization of Air Canada.

Mr. Mike Cassidy (Ottawa Centre): Considering the danger that Air Canada may be Americanized because the Government's Bill provides that 25 per cent of Air Canada shares may be acquired by Americans, our amendment to Motion No. 2 sets a 5 per cent limit on the maximum number of shares which may be bought by foreigners and non-Canadians.

Madam Speaker, I am moving that specific amendment because this Government puts more faith in President Reagan and in all the Washington Republicans, it puts more faith in those people than in the men and women of Canada.

We New Democrats believe that Air Canada must remain under full Canadian control. It is a good company which has been providing outstanding service in this country for 50 years. As we see it, there was no need to privatize, particularly such inefficient privatization in terms of—we are not talking about a cat or a mouse—owing to the fact that only 45 per cent of the shares will remain in the private sector but that full control will be in the private sector.

What is the point of the Government hanging on to 55 per cent of Air Canada if it does not have the kind of managing authority which under normal circumstances any owner of 55 per cent of the shares of a company would have?

[*English*]

Those are some of the concerns that we were trying to address with this particular amendment. We want to take the Government at its word and ensure that, if the Government is not selling more than 45 per cent of the shares, there is a legislative assurance that the people of Canada will retain majority control. We as a Government would be prepared to use that majority control when we become the Government, which I hope will be in the next election.

Some Hon. Members: Oh, oh!

Mr. Cassidy: I would say to my friends and erstwhile colleagues from the Progressive Conservative ranks, "look to

your seat-mate because one of the two of you will not be in the House of Commons after the next election".

An Hon. Member: You won't be around.

Mr. Cassidy: I will be around, Madam Speaker. I undertake that Ottawa Centre will remain as a New Democratic seat, and I will stay there. The Liberal Party is so anxious that it has put two candidates up against me and it can only run one. It does not realize the old rule of politics.

I would also point out that the partial privatization, as its called for—

The Acting Speaker (Mrs. Champagne): The Hon. Member for London Middlesex (Mr. Clifford) on a point of order.

Mr. Clifford: It is very clear that the privatization of Air Canada is something on which the Government has acted very wisely and the people of Canada and, most important, the employees of the firm want. I wish the Hon. Member would stick to that particular argument.

Mr. Cassidy: No one in the House, Madam Speaker, not even I, could recognize the intervention of the Hon. Member as a point of order.

Apart from the airline pilots, the unions at Air Canada representing the workers have not supported privatization. In fact, they have opposed the privatization. The only group that is for privatization is those workers whose average incomes are two or three times that of any other group of workers in Air Canada. They are entitled to their views. I believe that they should look at the situation of the sale and deregulation of airlines in the United States. In the airline industry it was thought that this might be a benefit to the employees. In fact, there have been sharp cut-backs in salaries and working conditions for the workers. Many workers have been laid off. Some of those airlines which have been around for 40 or 50 years have been merged and have now disappeared.

Mr. Clifford: Are you talking about Air Canada?

Mr. Cassidy: I am talking about the airlines that have gone through the process of deregulation in the United States.

Mr. Clifford: Let's talk about Air Canada.

Mr. Cassidy: I would point out that the same thing that happened to the airlines in the United States is what is liable to happen to Air Canada. The two British airlines now merged have together lost almost half of their workforce. I do not think the employees of Air Canada would like to see a sharp drop in jobs and job security or a reduction from jobs that currently are decent jobs to jobs that pay \$7 or \$8 an hour. The Conservatives may think that this country can prosper when every worker in the airline industry is paid \$7 or \$8 an hour. Workers at that salary level cannot buy goods and services. We are going to take our country down with this kind of proposal.