

Air Canada

[English]

This is the final amendment. The amendment is designed to ensure that the Government does not give away Air Canada to the private sector and then take back a number of debt obligations which essentially would take a load off the private sector and put in on the taxpayers of Canada. That can take place according to the legislation right now, unless this amendment is ensured.

I hoped that the Minister of Finance (Mr. Wilson) might have been prepared to speak to this amendment because it is designed to ensure that the deficit does not increase by half a billion or one billion dollars because of the taking on of the obligations of the private sector. People might say: "How on earth would they do that?". If you look at the Eldorado Bill or arrangements on the sale of de Havilland, that is exactly what was done. Basically, the people of Canada gave away their interests in those Crown corporations by means of the obligations and debt which they took on when those Crown corporations went into the private sector.

Time is very limited, but let me say that there is a great tradition in this country which goes back to Sir John A. Macdonald whereby the public, through the Government, have participated in the industrial development and the industrial life of this country. That has been the case beginning with the Canadian Pacific Railway, which was only made possible because of land grants and other participation of the Government of Canada. The Crown corporation culture is something that we have developed. We have been responsible for that in a very successful way. I hate to see this go down the drain.

● (1330)

I am not alone when we say that we want to make sure that we do not get ripped off in the privatization under this Bill. Many Canadians do not feel that the sale of Air Canada is fair. As it has been put, is it fair to give assets to the private sector and leave a debt with the public sector? That is what has been done in cases such as Eldorado and de Havilland.

In the case of Air Canada, the liabilities amount to about \$2.1 billion, plus another \$336 million in perpetual bonds. The assets are in the order of about \$3 billion. This is a big company. It is an effective company. However, I do not want to see a situation in which taxpayers wind up taking on some of that debt in order to line the pockets of people in the private sector.

I note the comment made by none other than the present Prime Minister when he pointed out that the only people who benefit from a takeover such as this one are the lawyers, the accountants, and the stockbrokers. I suspect that that will be the case here.

Throughout this debate the Government has hinted that it has polls backing its position on privatization, particularly of Air Canada. The fact is that that is not the case. The results of two recent polls, the Angus Reid poll, first, indicate that 53 per cent of Canadians were opposed when they were asked the

question: "Should the Government sell any of the following Crown corporations to the private sector?" With respect to Air Canada, 53 per cent replied no while 35 per cent replied yes. The Environics poll asked a similar question: "Do you think the Government should or should not sell Air Canada?" Some 51 per cent replied in the negative while 31 per cent replied positively.

There is a large number of Canadians—in fact, the majority—with an opinion.

[Translation]

Interestingly, in *La Belle Province*, 55 per cent of the population said the Government should not sell Air Canada and only 25 per cent said they were in favour of selling Air Canada to the private sector.

[English]

Older polling data also show a consistency in this high regard for Crown corporations. Back in 1983 a Decima report showed that some 60 per cent of Canadians supported and appreciated Crown corporations because of their pricing, their profitability, their public accountability and their role in providing employment. Another Decima poll also showed that Canadians, by about a 69 per cent margin, believed that public ownership should be the same or higher in the major industrial sectors. In other words, there was an acceptance among Canadians of the use of public enterprise in the constructive way in which we have had it in the country over the course of many years.

It is pointed out again and again that the sale of Air Canada is going forward primarily because this is an ideological question for Progressive Conservatives. Even if the private sector has to be subsidized to take these industries over, the ideology says: "Let's sell".

I wish to suggest that if the Conservative Party thinks that the private sector is such an effective provider of jobs and has such an efficient way of doing things, then let it explain the failure of Dome Petroleum, the Northland Bank, Massey-Ferguson, Maislin Trucking and Dominion Stores. There is a long list of private enterprises in the country that have not been efficiently and effectively run. Often the people in charge of them are people such as Conrad Black who are the bosom buddies of the Prime Minister (Mr. Mulroney) and his colleagues in the Progressive Conservative caucus.

Here is what the Prime Minister himself had to say in his book *Where I Stand*: "I have yet to see a takeover that has created a single job except for lawyers and accountants". The people who will really benefit from this sale will in fact be the stock promoters and those type of people.

I will conclude on this note. In the British Telecom sell-off in the United Kingdom it is estimated that the costs of selling it off were somewhere around 120 million pounds and that the total expenses of the issue were about 220 million pounds. There were underwriting fees and advertising costs. A reduced price on shares was given to employees. There were telephone