

*Air Canada*

**Mr. Young:** I want to give the Hon. Member for York East an opportunity to give us the benefit of his wisdom rather than sit there chipping away at other Members. I am sure the Hon. Member for York East will want to look good back home and, given the nature of his constituency, will want to be critical of what the Government is trying to do to Air Canada. If he knows what is good for him, in the next election he will oppose what the Government is trying to do to Air Canada.

[*Translation*]

**Mr. Raymond Garneau (Laval-des-Rapides):** Madam Speaker, I wish to speak on the two motions now under discussion, No. 2 and No. 7, which deal with the percentage of Air Canada shares that the Government could sell and with the percentage of voting shares that could be held by non-residents, respectively.

Madam Speaker, with respect to the amendment proposed by the Hon. Member for Winnipeg North limiting the shares that the Government could sell to 45 per cent, I wonder why the Government Members did not agree right away to this amendment, since it is in complete conformity with what the Deputy Prime Minister said in documents issued by the very Government presenting this Bill, saying that the intention was to sell only 45 per cent. If that was the intention, why not put it in the Bill? Madam Speaker, this is all utter hypocrisy. Because the Leader of this Conservative Government had promised not to privatize Air Canada, he had to find some way to get out of his commitment without losing too much face. And what did they find? They came up with this discrepancy between the Bill and the press releases. The press release said that it would be only 45 per cent and for that reason, the Prime Minister could say that he did not lie to the people, he did not privatize Air Canada, he only sold 45 per cent. But the Bill presented by this Government allows the Minister to sell 100 per cent. So I would just like to ask the Government and the Minister of Finance (Mr. Wilson) to put their money where their mouth is.

• (2140)

If it is true about the 45 per cent, why don't they put it in the Bill? And if it is not true, why not admit it? Anyway, Madam Speaker, I think this whole debate about 45 per cent of private ownership versus public ownership, as well as the 5 per cent vote instead of 25 per cent, is a tempest in a teapot, because this Parliament and this Government have presented and passed on second reading Bill C-130, where it is said in section 8, and I will read it to you, Madam Speaker, in order to show you how foolish this Government is. Section 8 of Bill C-130, passed on second reading, says:

8. (1) Notwithstanding anything in any other Act or law, in the event of any inconsistency or conflict between

(a) this Act, or any regulation made under this Act, or the Agreement, and

(b) a provision of any other Act of Parliament or of any regulation within the meaning of section 2 of the *Interpretation Act*, other than a provision as enacted or amended by Part III or IV of this Act . . .

**Mr. Grisé:** Madam Speaker, I rise on a point of order.

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

**Mr. Grisé:** Thank you, Madam Speaker. We have no doubt that the member for Laval-des-Rapides (Mr. Garneau) can read at a relatively fast pace. But I don't see why it is relevant here to read sections of Bill C-130 on free trade, an excellent Bill by the way, initiated by our Government, in relation with amendments 2 and 7.

**The Acting Speaker (Mrs. Champagne):** If the Hon. Parliamentary Secretary can be patient, I am sure the Member for Laval-des-Rapides will show us the connection.

**Mr. Garneau:** Because the length of speeches is limited to 10 minute maximum, Madam Speaker, we have really very little time to say anything. However, if the Hon. Member paid very close attention and followed my explanation which may be a little difficult for him to understand, I suppose he could see the connection between what we are doing and what we are debating, even the unamended clauses in Bills C-129 and C-130. The clause I have just read is practically a constitutional clause which invalidates any legislation which may have been passed before this one, so that when Bill C-129 is read a third time and finally adopted, we might as well throw it into the waste basket, because clause 8 of Bill C-130 which was given second reading and which is now in committee invalidates all provisions which might be inconsistent with other adopted legislation.

Madam Speaker, Part IV which amends the Foreign Investment Review Act will allow investments up to \$150 million in 1992, and the Government will not be able to control these investments. Because the equity of Air Canada may vary, in view especially of the very complex indexation formula, this could reach much more than 25 per cent of the total shares of the new privatized Air Canada which could be held by non residents. So the Government, both in Bill C-129 and the legislation concerning Eldorado which was considered earlier, is pulling our legs, because this other legislation will erase all that.

They showed great understanding for Canadian interests by saying: There are clauses in there—the clause which limits to 25 per cent the number of votes by non residents, and a little later, as soon as they pass the steamroller on Bill C-130, they will stand up and say that all these clauses meant absolutely nothing. Madam Speaker, the House should adjourn as soon as possible to prevent this Government which has no respect for the basic values developed in this country over the past 100 years from making further blunders such as this.

**Mr. Grisé:** Madam Speaker, I would like to make a few comments on what was said by members of the socialist Party and my colleague the Hon. Member for Laval-des-Rapides (Mr. Garneau). The Hon. Member for Comox—Powell River (Mr. Skelly) said that, in the event of privatization, Air Canada would lose its pride. We were also told that . . .