

*Oral Questions**[Translation]*

Perhaps we should ask Mr. Laberge what he thought about the Prime Minister's statement.

## EFFECT OF PRIVATIZATION ON SERVICE

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, clearly, Canadians can no longer depend on the Prime Minister's promises. What is going to happen to small communities in Canada that depend on Air Canada's services, when decisions on flight routes are taken by the private sector? How can the Deputy Prime Minister claim that air transportation facilities will remain open in Montreal, Toronto and Winnipeg, when it will be up to the private sector to decide whether to maintain or terminate these facilities? Why can't the Government at least be frank with Canadians?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, just as I thought: First, the Leader of the Opposition distorted my statement in English, as usual, and now he has distorted it in French as well. I would like to quote what Pierre Vennat wrote in *La Presse* on January 15, 1985, and this is a direct quote of the Prime Minister's words: There may be good reasons for selling Air Canada, said the Leader of the Government. I will consider the matter, but Canada needs a national airline. In fact, there will be a national airline, Air Canada, which in addition to its more obvious responsibilities will also be responsible for serving the most remote areas in this country and ensuring their survival. The management of Air Canada sincerely believes, and has said so publicly, that the corporation will be able to do so with increased participation on the part of the Canadian public, including Air Canada employees, which will make the airline stronger, more efficient, more profitable and more effective as a national airline.

## APPARENT CONTRADICTION BETWEEN DEPUTY PRIME MINISTER AND PRIME MINISTER

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, in this morning's statement, the Deputy Prime Minister said that the legislation will include the transfer of all Air Canada shares to the public, which is not what was said this afternoon by the Prime Minister. Everybody in Canada had understood the Prime Minister had made a solemn commitment to the effect that Air Canada would remain in the public sector in this country.

● (1420)

*[English]*

The Deputy Prime Minister said this morning, Mr. Speaker, that now Canadians can own Air Canada. That was a surprise to us. We thought that Canadians already owned Air Canada.

**Some Hon. Members:** Hear, hear!

**Mr. Turner (Vancouver Quadra):** In his trade deal the Prime Minister is selling out Canada. Now today he begins to sell out the infrastructure that has held this country together.

**Mr. McDermid:** No one believes that except you and the NDP.

**Mr. Turner (Vancouver Quadra):** This country was built on a national railway. This country was built on a national broadcasting—

**An Hon. Member:** You have been wrong in every one of your predictions and you are wrong again.

**Mr. Speaker:** The Right Hon. Leader of the Opposition will put the question, please.

**Mr. Turner (Vancouver Quadra):** The people of Canada want to know what else is up for sale. What other promises of the Prime Minister will be broken? Is the CNR up for sale? Is Petro-Canada up for sale? Is the CBC up for sale? Let us know what is up for sale in this country.

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, the Right Hon. Leader of the Opposition is not only distorting what the Prime Minister has said and what we in fact have announced today, but he is distorting what was traditionally the position of the Liberal Party, particularly of his seat mate, the Hon. Member for Winnipeg—Fort Garry, who, on April 12, 1985, said it was "important that Air Canada sever its financial ties with the federal Government. It does not have to put it on the block right away, but the industry must be aware that the Government is moving toward privatization".

**Some Hon. Members:** Oh, oh!

**Mr. Tobin:** Mr. Speaker, that selective quote, I am sure, will be answered by the Hon. Member for Winnipeg—Fort Garry for the deliberate mistruth that it is.

## SALE OF SHARES

**Mr. Brian Tobin (Humber—Port au Port—St. Barbe):** My question is directed to the Prime Minister. It was amusing a moment ago to hear the Prime Minister defend his flip-flop on Air Canada by suggesting that he indicated there might be a minority share position offered, therefore, that explained his flip-flop.

I noticed that the Deputy Prime Minister's ears literally glowed. This morning in the House he stated, and I quote directly from his words a few hours ago that are still echoing in this place, "The legislation will permit the transfer of all Air Canada shares to the public", 100 per cent of the shares.

Now, Prime Minister, you are so anxious to stand—

**An Hon. Member:** Order.

**Mr. Speaker:** The Hon. Member will put his question, please.

**Mr. Tobin:** Through you, Mr. Speaker, I ask the Prime Minister, you are so anxious to stand and defend—