

Oral Questions

Mr. Tobin: True.

Mr. Turner (Vancouver Quadra): I do not know how the two gentlemen reconcile those two statements. They certainly have not succeeded this afternoon.

Yesterday the Prime Minister and the Deputy Prime Minister also assured Canadians that Air Canada would keep its maintenance facilities at Winnipeg, Montreal, and Toronto. However, Canadians were also told by the Deputy Prime Minister yesterday morning that the Government's shares in Air Canada would be voted in accordance with the wishes of the private sector shareholders. Therefore, the Prime Minister and the Deputy Prime Minister know that they have no way of knowing or guaranteeing that the maintenance facilities will be kept in Winnipeg, or in Toronto or Montreal for that matter, because they have yielded control over the voting preferences of the shares they retain, if they retain them.

Why did the Government make a promise yesterday to the people of Winnipeg that the maintenance facilities would be kept there when it has already abandoned the power to control the voting of the shares?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I do not think I have to repeat to the House again the commitment that Air Canada has made on behalf of the people of Winnipeg. The Right Hon. Leader of the Opposition was very rarely interested in this subject, but I guess because there is an election going on in Manitoba he chooses to raise the issue in an attempt to politicize it.

• (1425)

The fact is that there have been a number of Crown corporations which have been privatized to which conditions have been attached. I invite the Right Hon. Leader of the Opposition to go back and look at the series of them, some 13 of them. Each and every one of those Crown corporations had one or more conditions attached, and there is no reason to prevent that from happening in this case as well.

FUTURE OF MAINTENANCE BASES

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, my question is directed to the Deputy Prime Minister. The House should be clear on what the Government is telling us. The Government is now saying that it can give no assurances to the people of Winnipeg, Montreal or Toronto, and that it can only repeat the assurances of Air Canada officials. The Government is saying that, having recognized that Air Canada officials, and particularly the chairman of the board, will be directed to vote their shares in accordance with the majority of the private shareholders. That is what the Government has admitted.

Again I would tell the Deputy Prime Minister, whether there is an election going on in Manitoba or not, perhaps now

is the time to come forward with the full facts, not with fantasy.

How can the Government, given its own privatization plan and its own determination to give up its voting control and direct it to private shareholders, give assurances, either directly or through the management who will give up their 55 per cent share block, that Winnipeg, Toronto, Montreal, or Stephenville, Newfoundland, will not be negatively affected by this privatization venture?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, the best way to secure the success of Air Canada and its continued operation and expansion in Winnipeg is for it to be a healthy airline, and we are giving it the mechanism and the facilities to become a healthy airline.

As I said earlier, there were conditions attached to the privatization of Canadair and they were upheld.

Hon. Members opposite, if I recall correctly, talked about the loss of thousands and thousands of jobs when de Havilland was sold to Boeing. We have not heard a peep lately because 1,000 or 1,100 new jobs have been created—

Some Hon. Members: Hear, hear!

Mr. Mazankowski: The Hon. Member can dwell on the past and support his own ideology, but he should listen to some of the workers of Air Canada. Yesterday on the CBC news an unidentified worker said:

It's a profitable company right now and when employees have a share in their company then I believe that they will take care and more care in what they actually have.

Another one said:

I think it is a fantastic investment. The employees will care more and I think there'll be a lot more profit potential within the company.

Another one said:

—we're in the alliance, we're in the service business, it must be competitive and by being privatized it just might become a bit more competitive.

They are living in the real world. Those guys across the way are in fantasyland.

CONTROL OF SHARES

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, of course that begs the question, where was the Hon. Member for St. John's West, the former Minister of Transport, living? He said a year ago that it would be best to sell all of it or sell none of it, and he said two months ago that the Government should put \$300 million worth of capital into Air Canada because it is basically a fundamentally sound and healthy company.

Yesterday, David Cape of Ryerson Polytechnical Institute in Toronto, a transportation economist, said that given the structure of this privatization and given this half-baked scheme, it is possible that, "In practice, a control block of