

*Air Canada*

present transferability of the shares of Air Canada. There is no doubt that the shares of Air Canada can be registered only in the name of the Minister of Finance, on behalf of Her Majesty, and from there they are non-transferable. Subclause (4) of clause 10 makes it clear that no shares of the corporation may be issued otherwise than is expressly authorized by this bill.

It is fundamental to the belief of our caucus that wherever possible Crown corporations should be put back into the private sector if that is a viable thing to do. That is why we are suggesting that in recapitalizing Air Canada we should make meaningful provisions to have that restoration built into the legislation, without having to come back to parliament to get special legislation at a future date. In that connection I would like to read subclause (4) as it would read should the amendments in motion No. 4 go through. At the present time, clause 10(4) provides:

No shares of the corporation may be issued otherwise than as expressly authorized by this act.

We propose to add these words:

—but shares so issued are transferable in accordance with section 47 of the Canada Business Corporations Act.

Section 47 of the Canada Business Corporations Act allows the transfer of shares in the general course of affairs. In short, we are saying that there should be realistic authorized capital. Let us put that authorized capital into a denomination which the average Canadian investor might buy at some future time. Finally, let us make sure, through motion No. 4, that the shares are transferable at some future date into private hands as opposed to having to stay in the hands of the Minister of Finance.

If the government persists and votes down our suggested amendment, it has no serious intention of allowing Air Canada to go back into the private sector with respect to even one share. If that is so, let us smoke the government out today. I think it is great for the Minister of Transport to give wonderful assurances about the government's thinking about the private sector and about how it might put Air Canada's share ownership back into the private sector, but if he accepts our amendment it will do very much more in a concrete way to demonstrate the earnest desire of the government than any rhetoric the minister might put into the pages of *Hansard*.

● (1722)

**Mr. Lang:** Mr. Speaker, I suppose I always have to rise to a challenge to be smoked out by the hon. member for York-Simcoe (Mr. Stevens). I should say that the authorized capital proposed in the bill is the result of very serious consideration by Air Canada and the government, particularly the Minister of Finance, as to the appropriate figure. Like a good solicitor trying to assure that a corporation has adequate power, this figure was arrived at.

On the other issue of the smaller value of shares and ability to sell them, I have indicated the possibility of this at some point. The whole direction to Air Canada is to operate in such a way that it would be in a position to appeal to the market at

[Mr. Stevens.]

some time. At that time it would be a fundamental issue and, as the hon. member for York-Simcoe may realize, it would be treated as a very fundamental issue by some of his colleagues to his left. It is probably fair to deal with the issue as a whole issue when it arises.

Many features of the Air Canada Act would have to be reconstructed for adequate transfer of those shares to the private sector. It seems desirable, therefore, to leave that issue for another day when this House can come to grips with it and decide if Air Canada has been able to operate in such a way that it is seen as a viable investment and able to offer its shares. I therefore recommend that hon. members not support this motion.

**The Acting Speaker (Mr. Ethier):** Order, please. The question is on motion No. 3 in the name of the hon. member for York-Simcoe (Mr. Stevens). All those in favour will please say yea.

**Some hon. Members:** Yea.

**The Acting Speaker (Mr. Ethier):** All those opposed will please say nay.

**Some hon. Members:** Nay.

**The Acting Speaker (Mr. Ethier):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Ethier):** Pursuant to Standing Order 75(11), the recorded division on motion No. 3 stands deferred.

Is it the pleasure of the House to adopt motion No. 4 in the name of the hon. member for York-Simcoe? All those in favour will please say yea.

**Some hon. Members:** Yea.

**The Acting Speaker (Mr. Ethier):** All those opposed will please say nay.

**Some hon. Members:** Nay.

**The Acting Speaker (Mr. Ethier):** In my opinion the nays have it.

*And more than five members having risen:*

**Mr. Stevens:** On a point of order, Mr. Speaker, it would be agreeable to us to have the vote on motions Nos. 3 and 4 put at the same time when we take the deferred votes. In other words, one vote on those two motions.

**The Acting Speaker (Mr. Ethier):** Is it agreed?

**Some hon. Members:** Agreed.

**The Acting Speaker (Mr. Ethier):** Motions Nos. 3 and 4 will be grouped for voting. Call in the members.