

Air Canada

that our Crown corporation is making money on the major East-West routes. Air Canada finds the flights between Montreal, Toronto, Winnipeg and Vancouver most rewarding financially. If the Corporation is now to be managed in a business like fashion, meaning that management decisions from now on will be profit-oriented, it will not be long before the new management decide to abandon regional air transport routes which are losing propositions but nevertheless necessary for some communities which are only served now by Air Canada.

Of course, a profit-oriented corporation will say: We are going to drop this route where we are losing money. We are going to keep only those where we are making money. The end result is clear. After a while, several remote and outlying communities of this country will be deprived of services. We cannot hope for other private corporations filling the gap and providing services to areas where customers are few and far between and on routes which are clearly not profitable. Those are services which the private sector cannot provide, which is one of the major arguments against the adoption by the House of Bill C-29. Yet, Mr. Speaker, there are also a great many other reasons.

What about Air Canada employees who are rightly concerned about their jobs?

The House will recall that shortly after British Airways was privatized by Margaret Thatcher's Tory Government, over 20,000 employees were laid off in Great Britain. So, whoever is now working for Air Canada, for our national airline, is concerned and worried about what will happen to his or her job, a concern I can understand. Being my party's labour critic, I took the time to meet with three of the major union leaders representing 12,000 of the 22,000 Air Canada employees, something I am not sure other Members of the House did, and I can speak for them about their concerns. Take for instance the case of Mr. Val Udvarhley. He stated the views of the flight attendants.

● (1630)

[English]

Mr. Udvarhley was giving me the point of view of flight attendants who are now working for Air Canada. They are afraid that the flying will be restructured down from the present six bases Air Canada operates from. They fear that Air Canada, in trying to operate by the bottom line only, will rationalize and downsize the number of people working there. They are afraid in the Montreal area that this area in particular is more likely to be scaled down. I have been told they would not be surprised if the present strength of 900 in the Montreal area would be scaled down to 500.

They have pointed out to me, and they are right, that although Clause 6 of the Bill guarantees that, first, there will be maintenance in the Montreal area, that it will stay there, and that the headquarters of Air Canada will stay there, there are no specifics guaranteeing a number of jobs and, to use his

own words: "We may end up with a maintenance base staffed with three persons and a wrench". What good is the headquarters of a large national company if it is only an empty shell?

[Translation]

Mr. Speaker, I understand very well these employees who are concerned about their jobs, afraid that small communities now served by Air Canada will be deprived of all air services, that flight attendants for instance will be without job security, and who fear that Air Canada, once privatized, will tend increasingly to sub-contract part of the work to outside corporations. These are some of the reasons why I will personally vote against Bill C-129 and I will do everything I can to make the Government change its mind and abandon its decision to privatize part of our national transportation airline.

[English]

Mr. Bill Attewell (Don Valley East): Mr. Speaker, just before beginning my remarks on Bill C-129, I would like to read some comments made by the Hon. Member for Vancouver East (Ms. Mitchell). On May 1, 1984, she said:

I think there should be a way of making evaluations. Most institutions are self-perpetuating, that is the nature of large institutions, but there should be times when some Crown corporations are terminated. What we would be most concerned about is whether they are of a value to the people of Canada, whether tax dollars are justified from that point of view—

May I just add, Mr. Speaker, that it is interesting to hear members of the New Democratic Party talking about tax dollars. They usually ignore that particular fact.

—and whether they are run efficiently. I think that would be the criteria at which we would look.

● (1640)

Therefore, the Member for Vancouver East has stated an approach or a concept with which we agree. The Hon. Member begins her remarks by breaking that promise of how she might look at things.

This Bill is a good one. Air Canada was a great idea. It was visionary when it was started some 50 years ago. Canada did indeed need the links to all the corners of this great country. But the world has changed. We should not accept the *status quo* as the other two opposition Parties would like to do, whether that concerns trade or any other issue. The world is changing and the Government and the Conservative Party recognize that.

The executive and the employees of Air Canada are 100 per cent behind this move. They realize what is out there in the market-place.

Ms. Dewar: One hundred per cent? That's not true.

Mr. Attewell: First, we think that Air Canada should be sold because it does not serve a public policy purpose. Second, we do care about the deficit in spending. This company should be on its own and free to go to the capital markets.