

Air Canada

Is the Hon. Member saying that the Government should have privatized the whole thing? If he agrees with Sir Colin Marshall, that must be what he means. Is the Hon. Member aware of the Bill which allows for the partial sale of British Telecom and what a successful issue that was? Why is he criticizing this partial sale? He is in essence comparing apples and oranges.

I thought that Members of the NDP had got away from this, but obviously they have not. After listening to the Hon. Member, I realize that they still think that profit is a four letter word, a dirty word. I gather the Hon. Member is back attacking these terrible companies that earn a profit and saying what a terrible thing it is. That is still the philosophy of the NDP, the type of doctrinaire that NDP Members spout off as we heard the Hon. Member do today.

Mr. Keeper: Madam Speaker, I will deal with the second question first. One of the reasons for our belief that Air Canada ought to remain in the public sector is in fact that it is making a profit. We believe that profit is worth while—

Mr. McDermid: That isn't what you said before.

Mr. Keeper: Well, I see heads shaking. I acknowledged in my speech very clearly that it is important to have airlines that are capable of making a profit. I just said that I did not think that every airline in Canada should have that as its top priority. There ought to be an airline whose purpose it is to knit Canada together, to serve as a communication link and to help to build the nation. There is more to building a country than simply meeting cash register objectives.

Second, I was asked about my comments on Sir Colin Marshall. He is criticizing the Conservative Government's approach to privatization. He is saying, based on his experience with privatization in Britain, that going half way will not do the job. That comment by this gentleman who has some experience in these matters suggests to me that the Government is incompetent and is going to botch the job again. Canadians have seen it botch so many things.

● (1300)

Mr. McDermid: Like de Havilland, Telecom, Canadair, and Canadian Munitions?

Mr. Keeper: Either that, or its assurance to Canadians that it will maintain a hand in Air Canada for public policy purposes is misleading and false. The Government says it is going the partial privatization route and maintaining service to remote communities, but it cannot have it both ways. If it intends to privatize Air Canada, then it will deprive remote communities of service. If the Government really wants to provide assurances of service to those communities, then it ought to leave Air Canada where it is, in the public sector.

Mr. McDermid: Madam Speaker, I do not want to beat this to death, but I think the Hon. Member should be fair to Sir

Colin Marshall. He did not say it would not work. Here is the quote:

You have to be one or the other, and I am for airlines being totally free.

What he is saying to us is that we should privatize the whole thing. He was in Toronto at the time the statement was made, trying to sell shares in British Airways, for heaven's sake. The article says:

Riding a wave of record profit, Sir Colin Marshall, Chief Executive of British Airways PLC, swept into Toronto as part of a North American blitz of financial analysts to sell the company's shares.

I will quote further from the article in *The Globe and Mail* by Cecil Foster:

Sir Colin is the latest airline official to indicate an uneasiness with the Canadian Government's decision to sell Air Canada gradually. Ottawa plans to sell a 45 per cent stake by asking Air Canada to issue new shares.

That is what he said, so do not misrepresent the man. His only criticism is that we are doing it gradually. Yet the British have done it gradually, too, with the British Telecom privatization. That involved a partial share issue and it was very successful. So when the Hon. Member gets up, I wish he would be accurate.

Mr. Keeper: Madam Speaker, I guess more than one person can read an article. Sir Colin Marshall, this British entrepreneur with experience in the privatization of airlines, said:

You have to be one or the other—

In other words, you have to be a public airline or a private airline, and if you try to be both it is not going to work. What I am saying to the Government is that the plan it has announced is a mixed plan, and according to Sir Colin Marshall you cannot be both; you have to be one or the other. That means the Government has announced a plan that will not work. It will not raise the revenue it claims is needed and will not assure people that service will remain in their communities. The shares the Government will hold will not assure a public policy purpose.

If what the Minister is saying is that the plan is the total privatization of Air Canada, then he has to admit that any of the assurances he has given that service will be maintained in remote communities, or that there will be bilingual service, cannot be sustained.

Mr. McDermid: Name a remote community that Air Canada serves now.

Mr. Reimer: Madam Speaker, the Hon. Member for Winnipeg North Centre (Mr. Keeper) was berating the Government for saying that this action is a symbol or sign of the Government operating according to its ideological hobby-horse of privatization.

There is no question that the Conservative Party and the Government clearly believe that wherever the national need or public interest does not require government intervention, it is far better that the private sector do it. If the private sector cannot meet that need or requirement, then of course the