

Oral Questions

The situation has worsened steadily. For instance, last year the FCC went into a negative equity position of \$124 million. It is estimated that that figure will be \$300 million this year.

How can an agency such as the Farm Credit Corporation which is insolvent itself help farmers who are in financial difficulty? Over 30 per cent of our farmers are in serious financial difficulty.

I call upon the Minister of Agriculture and the Government to put the FCC back on a sound financial basis so that it can help the farmers whom it was set up and designed to help.

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PROVINCIAL AFFAIRS

FEDERAL TRANSFER PAYMENT TO MANITOBA

Mr. Felix Holtmann (Selkirk—Interlake): First, Mr. Speaker, the Progressive Conservative Government of Canada has created such an economic boom that the federal transfer payment formula has triggered an additional \$77 million for Manitoba.

Second, the former NDP Howard Pawley administration kept this information from Manitobans and, in fact, had Manitoba NDP Members of Parliament cry, plead, and beg for more federal funds for hospitals, health care, pharmacare and highways.

Third, the NDP Government in Manitoba collapsed.

Fourth, a desperate New Democratic Party elected a desperate leader from a desperate labour union by the name of Gary Doer. When Doer discovered on a shelf this \$77 million of additional transfer dollars he made an election promise to give a tax break to Manitobans using federal transfer funds.

I feel sorry for the NDP Members from Manitoba and all Manitobans who have been deceived by this new leader.

What happened to health care? What happened to highways? What happened to education? What happened to pharmacare?

At 20 per cent of the popularity in Manitoba is it possible that the Democrats under Doer are done?

ORAL QUESTION PERIOD

[English]

AIR CANADA

SALE OF SHARES TO PUBLIC—PRIME MINISTER'S POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister. On January 14, 1985, in Montreal the Prime Minister said: "Air Canada is not for sale". Now this morning the Deputy Prime Minister

stated in a tortuous way that what the Prime Minister had really said was that Air Canada was not for sale at that time.

The Deputy Prime Minister is wrong. He knows that he is wrong. He has been trying to cover up for the Prime Minister. What the Prime Minister said was that Air Canada was not for sale period. That is what the Prime Minister of Canada said.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): That statement, made in the company of his friend Louis Laberge, ranks now with the statement that our social programs are a sacred trust—and he then moved to deindex old age pensions; the statement he made to his Party during the leadership convention that he would never lead Canada into a free trade agreement. There is another broken promise.

I do not want to hear from the Deputy Prime Minister in one of those tortuous rationalizations he attempted this morning, or from the new Minister of Transport with a phoney argument. I want to hear from the Prime Minister of Canada why he broke his word.

Some Hon. Members: Hear, hear!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition says, and I am quoting him exactly: "The Prime Minister said that Air Canada is not for sale period."

I refer my right hon. friend to *The Gazette* of Montreal of January 16, 1985, which reports what I said: "Prime Minister Brian Mulroney said Monday in Montreal that Air Canada is not for sale, but did not rule out selling a minority interest". That is exactly what the Government has done today, sell a minority interest.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Because the Leader of the Opposition has completely distorted my statement in English, and for the benefit of his transport critic I want to give him a reporter's report from January 15 as well in French, from *La Presse*, which states:

[Translation]

"There is a possibility that shares in Air Canada will be sold to the public, but the Government would certainly retain a majority interest." That was my position in January 1985, and it is the same position being taken by this Government today.

[English]

Mr. Turner (Vancouver Quadra): Mr. Speaker, Louis Laberge, the President of the Québec Federation of Labour, took the same meaning from the Prime Minister's statement that everybody else in the country did. To quote the Prime Minister: "Canada needs a national airline. Air Canada is not for sale." That is what he said in the company of Louis Laberge.