

ment or parliament of Canada. I suspect that is the case, Mr. Speaker.

Hilton Hotels Ltd. and Trizec Corporation may be very good operators in the corporate sense, but they need not have been invited into a deal with Canadian National. I am informed, Mr. Speaker, that a Canadian owned hotel chain made inquiries of Canadian National and Air Canada to arrange for assured hotel accommodation for their customers, but got short shrift. Why is there this sudden rush by Canadian National, a Crown corporation, to sell properties that Canadian taxpayers have paid for? Any attempt to do this without being answerable to the government or parliament of Canada is reprehensible. If that is the kind of management there is of Crown property, I submit the government should replace that management with one that would operate according to the needs and goals of Canadians.

The daily press in Montreal and the employees of the two corporations involved are to be congratulated for bringing this matter to the attention of the public. They were wise enough to look behind what was going on. The Minister of Transport (Mr. Marchand), although he is a nice fellow, was allowing this to go on and I find this particularly disturbing. That he did not instruct the management not to make this kind of deal is particularly disturbing and I hope the parliamentary secretary can tell us this evening that these corporations have been so instructed.

Mr. Cliff McIsaac (Parliamentary Secretary to Minister of Transport): Mr. Speaker, first of all, to allay some of the fears expressed by the hon. member for Regina-Lake Centre (Mr. Benjamin), there is no truth, of course, to the inference or charge that public property such as Canadian National hotels will be given away or turned over completely to foreign corporations. As the hon. member is undoubtedly aware, the CNR has statutory authority to operate hotels and indeed may manage them as they see fit, again subject to statutory obligations. I believe that

Adjournment Debate

representations have been made by Skyline Hotels, a Canadian chain, on this matter to the Minister of Transport (Mr. Marchand) and other ministers of the Crown. I am sure that all Canadians are very interested in the developments surrounding discussions which have taken place in this respect.

The Canadian National has taken steps to examine alternative management proposals for the CN hotels and these proposals include possible participation by Air Canada.

As I am sure the hon. member knows, the experience of several major foreign air lines has shown that considerable commercial advantages are possible if an air line is able to offer prospective passengers a service which includes hotel reservations at their destination. To some extent, I suppose, a hotel chain is more useful to an air line today than to a railroad.

As the hon. member is aware, I am sure, the CN has management contracts with Hilton for the hotels in both Vancouver and Montreal. The results of this association have been satisfactory. But this does not imply that the Hilton Company is taking over the management of other CN hotels. The government is aware of the concerns expressed over a possible proposal for a change in the management of the CN hotels and has conveyed these concerns to the company. Should the CN decide that some alternative method of management of its hotels is in the best interests of ensuring that Canadians will be able to continue to benefit from the public investment, the company will bring forth its proposals for the government's consideration. At that time the government will ensure that Canadian employees, institutions and Canadian investments are adequately protected.

● (2210)

Mr. Deputy Speaker: Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 o'clock a.m.

Motion agreed to and the House adjourned at 10.14 p.m.