

Government Orders

matter up. To find out whether the lobbyists accused of having influence—and we are not the ones who say so; it is in the Nixon report, the Liberal Party's report—the lobbyists accused of having extraordinary influence in this contract, lobbyists like Pat MacAdam, a Conservative lobbyist and friend of Brian Mulroney; lobbyists like Bill Fox, a Conservative lobbyist and college friend of Brian Mulroney.

We have been naming names for a long time now, because they should be ashamed if they have done something wrong, they should be ashamed to continue pressuring the government not to order a public inquiry. As professional lobbyists, they are certainly still worrying about the possibility, perhaps only a slight one because, after all, these people are friends, that there will be a public inquiry that would reveal to Quebecers and Canadians the amazing extent of their influence.

So, I go on because I want to make sure that Harry Near, a Conservative lobbyist and long-time supporter, Don Matthews, a former president of Brian Mulroney's nomination campaign in 1983 and former president of the Conservative Party, Hugh Riopelle, a lobbyist and the strong man in Mulroney's office, and John Llegate, Michael Wilson's personal friend, exert no more untraceable influence. They can lobby in a normal and legitimate manner, but when a Liberal report, the Nixon report, says that they exerted an influence which went beyond the bounds of normal lobbying activities, I think that we should have greater doubts than those timidly expressed in the Nixon report.

This deal did not just involve Conservative lobbyists or people close to the Conservative government. That is probably why the Minister of Transport, who went loudly after the Bloc Quebecois members when they told him the truth, that is probably why the Minister of Transport backed down within the space of a few weeks saying: No, there will be no inquiry, just a short preliminary analysis about the possible financial consequences for the Canadian government if we had privatized Pearson. He realized that friends of the Liberal Party were also involved.

As my colleague, our critic for transport, said earlier, there was Senator Leo Kolber, well-known for his haute cuisine dinner at \$1,000 a plate. During the election campaign, Mr. Kolber invited all those who could have, according to the Nixon Report, a somewhat obscure albeit overwhelming influence on the government to come and meet the next Prime Minister at a private dinner at \$1,000 a plate.

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Among his distinguished guests was Mr. Bronfman, who was directly involved in the privatization of the Pearson Airport. Also involved in this deal were Herb Metcalfe, a lobbyist for Capital Hill, a representative of Claridge Properties and former

organizer for the current Prime Minister, as well as Ramsey Withers, a Liberal lobbyist with close ties to the Prime Minister.

I think only one or two of these worthy Liberal supporters would have been enough to persuade the Minister of Transport to have a change of heart, since the minister was already not quite convinced that he needed to go after not only the friends of the government, but also of Canada's financial establishment.

The inconsistencies identified by a review and an in-depth examination of the privatization contract should have drawn anyone's attention. I have seen a lot of sales contracts in my lifetime, but none like this one. I have never seen, for example, a central government agreeing, like the Canadian government did, to insert a clause in the privatization deal in order to cut the duration of the contract in half so that the promoters could avoid paying the Ontario sales tax which would have come to about \$10 million.

In complicity with the Canadian central government, which some people find so praiseworthy, the promoters were able to save \$10 million in Ontario taxes. I think that is a first, that never before did a federal government deliberately cause prejudice to provincial finances as this privatization contract did.

We also saw other discrepancies in the calculation of the basic rent. The agreement said that Pearson Development Corporation would normally pay to the government 30.5 per cent of its gross revenue from the previous year, up to a maximum of 125 million dollars in gross revenue, and that it would pay a rent equal to 45.5 per cent of gross revenue in excess of this figure.

But according to the Nixon Report, and remember it was prepared by a friend of the Liberal Party, the gross revenue was deliberately reduced in the contract because unusual deductions were included which lowered the rent required from the developers in the future. Given those deductions and the omission of all extraordinary income received by Pearson Development Corporation, the rent for airport facilities was reduced considerably.

We also noticed a few things that made no sense, some very innovative clauses in the Pearson privatization contract; it said that even though the federal government would no longer be involved in airport activities after the privatization, it—that is the taxpayers from Quebec and Canada—would assume all of Pearson's debts. The government was no longer involved, but it would have to pay the debts; so I was paying, my colleague was paying, Quebecers and Canadians were paying for all the bad debts of the Pearson Airport. However, as taxpayers, we no longer had any say in the airport's activities.

I could mention other flaws; we did so at the second reading. There is, for example, the absence of any serious financial analysis. Why should we privatize just about the only profitable airport in Canada without requiring some serious financial analysis? In the case of simple one million dollar deals, for the purchase of companies for example, financial analyses and