

*Air Canada*

Canadians with knowledge and expertise in the aviation industry. By permitting absentee directors, the government is taking yet another step in reducing Air Canada's board to a rubber-stamp body with little or no say in airline management.

Rather than strengthening the board's hand in the day to day management of the airline, the provision in clause 22 would undermine the credibility of Air Canada's management at a time when it is vital that it put its own house in order. Surely the first step in putting the airline on a sound financial basis is to provide it with a committed and involved board of directors. It is concerned, capable management, not absentee directors, which brings success to any well-run business. Public corporations—certainly a Crown corporation such as Air Canada—are no exception.

For these reasons, I hope and trust that most members of the House will support my two motions which would delete certain provisions from the bill now before us and which would allow absentee directors to run Air Canada's affairs. If we are to rebuild Air Canada, we must first make the directors more accountable for, not more removed from, the operation of our nation's largest and oldest airline.

**Mr. Lang:** Mr. Speaker, I only want to intervene very briefly to indicate that, of course, the proposed Air Canada Act as it is contained in the bill before the House incorporates significant protection which is found in the Canadian Business Corporations Act in relation to such matters as contracts. So that when the hon. member for York-Simcoe (Mr. Stevens) asks whether the material contracts can be entered into, he may leave the impression that this is being allowed in the absence of any over-all contracts, which is certainly not the case.

The ordinary provisions of the Canadian Business Corporations Act which are seen as being appropriate for corporations in general will apply in this case also. That is also true of the provision for potential informal votes and approval by directors. It has been found necessary over the years to give businesses that prerogative so they need not summon directors for every piece of business or for the finalization of it when they have conducted the main part of the business at an earlier meeting. That provision was incorporated in the Canadian Business Corporations Act and is also included in the bill before us. The very breadth of the motion which the hon. member has proposed might make it more difficult to obtain directors with a good deal of experience who happen also to be senior persons with an interest in major corporations, so in that sense he has been arguing against himself.

I should like to say one other word. I regret very much that the hon. member for York-Simcoe persists in what I think is an example of very bad conduct for members of the House, a degrading kind of conduct, when he refers to directors who are not present and cannot defend themselves. He said that he has reports about their falling asleep. When I asked for his source, he did not give it but snidely said that of course he thinks I would be interested in it.

[Mr. Stevens.]

What I am interested in is that members of the House do not abuse the privileges of the House by defaming in this way or being derogatory about people who are not here. I think it is very important that we adopt that standard of conduct and that we find ways in the House to deal with members who do not refrain from such conduct. If there is no record, if it is hearsay that is being relied upon, or evidence that is not sufficiently substantial to be brought before the House, then members should, in decency, refrain from making such references.

**Some hon. Members:** Hear, hear!

**Mr. Lang:** I urge that we recognize the basic protection that exists in the law that is proposed and that, therefore, hon. members do not support the proposed amendments.

**The Acting Speaker (Mr. Ethier):** Is the House ready for the question on motion No. 2?

**Some hon. Members:** Question.

**The Acting Speaker (Mr. Ethier):** All those in favour will please say yea.

**Some hon. Members:** Yea.

**The Acting Speaker (Mr. Ethier):** All those opposed will please say nay.

**Some hon. Members:** Nay.

**The Acting Speaker (Mr. Ethier):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Ethier):** Pursuant to section 11 of Standing Order 75, the recorded division on motion No. 2 stands deferred.

The question now is on motion No. 5. All those in favour will please say yea.

**Some hon. Members:** Yea.

**The Acting Speaker (Mr. Ethier):** All those opposed will please say nay.

**Some hon. Members:** Nay.

**The Acting Speaker (Mr. Ethier):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Ethier):** Pursuant to section 11 of Standing Order 75, the recorded division on motion No. 5 stands deferred.

**Mr. Stevens:** Mr. Speaker, I rise on a point of order. We have no objection to there being one vote on motions Nos. 2 and 5.

**The Acting Speaker (Mr. Ethier):** Is that agreed?