

Air Canada

ment becomes involved in the trucking industry, then we have to look at all Crown corporations. We have to look at the Post Office and their \$700 million loss over the past year. We have to take a look at Air Canada which lost \$20 million and compare that to Northwest Airlines which made a profit of \$100 million operating as a private industry. Both airlines had the same type of capital input, amount of planes and number of air miles travelled. Two years ago Air Canada lost \$19 million in the most lucrative part of Canada—Toronto to Ottawa to Montreal. It is inconceivable that any company could lose so much in that lucrative area known as the golden triangle.

Part of the reason for these expensive losses on the part of Crown corporations is the bureaucratic overlayering which tends to take place in those corporations. One of the significant differences between Northwest Airlines and Air Canada has almost doubled the staff of Northwest Airlines. The same thing happens when you take a look at oil companies and railway systems. Recently I had some meetings with people from Canadian Pacific Railway, and I was told that the factor at the top management level is eight to one, heavier in CN rail than it is in CP rail.

There is a loophole in this bill. It is a direct threat to the private sector of the trucking industry, which concerns my constituents, my province and every part of Canada. Further, I notice the Minister of Transport said that Air Canada is supposed to operate on a businesslike basis and is supposed to operate according to guidelines—I assume from his instructions and from the instructions of management at Air Canada, to operate that airline on a businesslike basis. I appreciate that those are the words he is saying, but the fact of the matter is that when you compare Air Canada, with other major airlines of similar size, it consistently shows either a lower profit or a loss, while others are showing a profit.

● (1430)

I think we have to see, in the same light, the assurance he is giving to the truckers in this country, because while on one hand he is saying that this company is supposed to work on a businesslike basis, the fact is that it is not. Though he is trying to give us an assurance that it is not going to compete with the trucking industry as long as the legislation is in its present form, I am not convinced that the bureaucrats will not do it. If there is a market there, and in some way they start to lose in some other area of air transport, or any other section of that whole Crown corporation dealing with transport, if there looks to be a lucrative market in the trucking industry I think there will be pressure on the bureaucrats to go ahead and do it.

That, in effect, is what I am sure is going to be causing some pressure, and we must keep bearing in mind that even today, without Bill C-17 before us, Canadian National trucks are the biggest fleet of trucks in all of Canada. Certain restrictions and limitations ought to be put on the size and scope that that sector of business is going to become.

The bill would allow direct competition with the trucking industry, and that is a very unacceptable position. So I agree

[Mr. Malone.]

very much with motions Nos. 1 and 2—with No. 1. in particular—put forward by my hon. friend from Vegreville, an amendment which would limit CN trucking to incidental and associated transport related to air and rail travel. What it says in effect is that if you have a fleet of trucks associated with CN, that fleet has to be with associated fleet travel, so it is dealing with the freight that comes off a train and has to be hauled somewhere to centre town, or from centre town to the train and likewise to the aeroplane. But it ought to be limited to that and it ought not to have the prerogative of extending into direct trucking right across the country, to get into the private market, which, incidentally, is one of the situations we are in.

People can get into privately setting themselves up on a one-man family, small business, and grow into a large business even today with the growing opportunities in the trucking business at the present time. Certainly, in this very important summer that we have ahead of us, this very important decade that we have ahead of us, one of the things we are going to notice is an increase in truck travel because of the fact that the whole northern development is not going to be just pipelines, but whatever happens in our north as a result of next month's debate is, I am sure, going to lead to a whole expansion far beyond oil and gas in the north. I would hate to think that this development, somewhere down the road, is not going to be serviced by a private fleet of young, enterprising, trucking people who come out of school and want to grab a truck, go into business on their own and operate it efficiently within their own capacity, without some threat of government interference coming in there in direct competition.

In conclusion, then, I hope the minister will urge upon his colleagues that the approach to the intent, the spirit of this bill, is not really too different on either side of the House. What we are asking for in essence is a guarantee enshrined in the legislation, and if the minister were of the same spirit as we are on this side he would say we were giving the private trucking industry the confidence it deserves. It would then feel that its business was secured by legislation, not merely by a promise.

The Acting Speaker (Mr. Ethier): I am sorry to interrupt the hon. member, but his time has expired. The hon. member for Timiskaming (Mr. Peters).

Mr. Arnold Peters (Timiskaming): Mr. Speaker, these changes in Air Canada have been contemplated for a long time, and they give members an opportunity, unfortunately, at a late stage in the session to make some input into the direction in which we want Air Canada to go. Air Canada has, in effect, been an offspring, a subsidiary of the CNR and has been handled in a pseudo subsidiary capacity. During those years in which it has been under the Canadian National umbrella, the corporation has seen considerable growth from a small organization to a fairly large and competent international airline. But it is not without difficulties, and in this bill we appear to be putting in the same difficulties we established in