

Oral Questions

countries, how can the Government go on claiming that it has improved access to the U.S. market for Canadian producers when the result has been an increase in monitoring which will hit Canadian companies coast to coast?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, it is not a last minute attempt. The negotiations have been going on for quite some time. There have been many bilaterals and there will be further bilaterals. I can assure the Hon. Member that the rights of Canada and Canadians have always been maintained and upheld during the course of these negotiations.

The telling point here is the fact that Americans and certain sectors of the American economy are taking issue with certain aspects of the very good bargain we achieved on behalf of Canadians. That should be a clear indication to the Hon. Member that we have made a good deal for Canada.

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[Translation]

AIR CANADA

IMPACT OF PRIVATIZATION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is for the Minister responsible for privatization and has to do with the Bill to privatize Air Canada. As you know, the Official Opposition is against this privatization of Air Canada, for several reasons. For example, there is no guarantee of what will happen to employees and their pension fund. Indeed, there is no guarantee on the services provided by the privatized company, much less on those provided by its subsidiaries, the regional carriers.

Today, we see in the media that Air Canada executives are very concerned about the application of Bill C-72 on official languages that they say would impose an unfair burden on them compared to their competitors. My question for the Minister is this: Before going ahead with the privatization of Air Canada, did the Government have a study done on the impact of Bill C-129 on the company or did it do one itself? Or did it rather decide to fly by the seat of its pants, even if it means destroying one of the national symbols that Canadians are proud of, if we believe Air Canada?

[English]

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I appreciate the Hon. Member's question. Indeed, Air Canada has expressed some concern about compliance with the Official Languages Act and how that might affect its competitive position. I think we all recognize that Air Canada completely agrees with and has practised fully the principles of bilingualism. We want to ensure that is maintained, and we felt incorporating it in the legislation, which I believe is supported by all Hon. Members, was the appropriate way to go.

I think I am right in saying as well that Air Canada officials have indeed talked to the Hon. Member about this particular issue. He made reference to it in his speech expressing some concern about certain elements. It would seem to me that, as the Bill proceeds to committee, that is the place where this issue might be discussed more fully. If there are appropriate amendments which would uphold the principle of bilingualism and clarify certain aspects, perhaps with the help of the Hon. Member we might be able to achieve that.

IMPACT STUDIES QUERY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I wanted to know if the Government had done or had someone do a feasibility study of the privatization and the impact of the Official Languages Act on the new privatized company. That was essentially the question I put to the Minister. If a study was done, then I take it that Air Canada was involved and now I am kind of concerned and worried, like many other Canadians, that all of a sudden the company is asking for amendments which it refused to give us when we were in committee looking at Bill C-72.

We invited them to come and they did not. I took it that they were satisfied. I now understand from what the company tell me that they are not able to compete on what they call a level playing field.

If there were studies can we have access to them? Will the Minister give them to us so we can tell who is telling us the truth here?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, we firmly believe that privatization will indeed strengthen the airline, allow it to build for the future, expand, and at the same time provide opportunities for individual Canadians, particularly the employees, to participate in the ownership of a very well established national and international airline.

With regard to whether there are any studies, Air Canada has lived within the spirit of the Official Languages Act to date and has carried out the principles of bilingualism in a manner consistent with that spirit. All we are asking it is to do likewise in the future.

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THE ECONOMY

EXCHANGE VALUE OF DOLLAR—INTEREST RATE LEVELS

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, my question is directed to the Minister of Finance. He knows that his high interest rate policies, which have driven up the central bank rate to 9.49 per cent, a 3 per cent differential over the American central rate, and resulted in near record real interest rates, are primarily responsible for the Canadian dollar hitting 82 cents. Since there is almost unanimous opposition to the