

Air Canada

Air Canada is one of the greatest airlines in the world and is among the top eight or nine. It has been giving excellent service to various parts of the world and has a very good name. Those who have travelled with various other lines would agree that the service offered by Air Canada is good and that it is continually improving. This is particularly so since the present president took over the airline, as mentioned by a couple of members here today.

I am a little concerned, as was the committee, that by an amendment such as this we are trying to tie the hands of the president of the company so that it is unable to compete on equal ground with other airlines. I think that is a bad aspect of this amendment. Unfortunately, as soon as the word "profit" enters the picture, our socialist friends immediately become concerned. I do not mind the word "profit". I am happy to say that there are still a few of us who believe in the free enterprise system, and certainly I do not think that "profit" is a dirty word. Every company should be based on sound business principles and be ready to make a profit. If they are not ready to make a profit, then they should not be in business. Every other company with whom they compete is in business to make a profit.

This bill makes provision, in cases of an unprofitable operation, for the governor in council to instruct the directors of Air Canada to remedy the situation; for example, by subsidizing certain routes which are essential but which are not in themselves profitable. That is understandable and this is well provided for in other parts of the bill. This is why I do not understand the hon. member for Winnipeg North Centre insisting that clause 7(1.1) be deleted so that the words "sound business principles, and in particular the contemplation of profit" are removed.

It seems to me we cannot tie the hands of the people we have appointed to run Air Canada. If I remember correctly, there are in this bill about 28 places where the words "governor in council" appear. Reference was made to this in the committee hearings. It was suggested that each time the words "governor in council" appeared, the bureaucracy was entering the picture and trying to run the corporation. Many of us in the committee who believe in free enterprise were concerned about this aspect. We do not want the bureaucracy running a company such as Air Canada, because the bureaucracy already holds too much power in other Crown corporations. A bill will be coming before the House before very long which will try to control or restrict the power of the bureaucracy within Crown corporations. Some of us have been suggesting for a number of years that Crown corporations should be more answerable to the House of Commons, for example.

I conclude simply by saying that I urge all members in the House to vote against the motion proposed by the hon. member for Winnipeg North Centre.

● (1642)

Mr. Jack Murta (Lisgar): Mr. Speaker, I preface my brief remarks by saying it is nice to see all the private enterprisers coming out of the woodwork this afternoon in connection with

this amendment to the legislation. We are talking about, and I sometimes think that members of the House of Commons go off on a tangent, the principles under which we would like to see the board of Air Canada operate. The amendment states:

—the board shall have due regard to sound business principles, and in particular the contemplation of profit.

However, we still find that our socialist friends in the House of Commons get very upset when we talk about an intent with regard to sound business practices. We on this side have given general agreement to the Air Canada Act. As the hon. member for Vegreville (Mr. Mazankowski) stated, the airline certainly appears headed in the right direction at the present time, with the new president and chief executive officers. For that all Canadians should certainly be happy and thankful.

There are a few things we do not particularly like in the proposed legislation. We feel it would be of benefit to the Canadian travelling public if the appointments of the no more than 13 people to the board of directors were made on a regional basis. At the present time, many things are dealt with or looked at in the context of regional make-up. If there are to be 13 appointed to the board of directors, they should certainly be looked at in the same way.

I may be mistaken, but I believe at the present time there are four people on the board of directors from Quebec, two from Ontario, one from Nova Scotia, and one from western Canada. I could be wrong, but I believe that is the present make-up. It would be fair and proper to say that if we are looking at a total of 13 people on the board of directors of Air Canada, we could consider three western Canada, four from Ontario, four from Quebec, and possibly two from the maritimes. This would give us roughly the kind of split we have in population. If that were the case, people from the regions would have far greater input into the regional problems which affect Air Canada from time to time.

I wish to go on record as stating that I feel the motion of the hon. member for Winnipeg North Centre (Mr. Knowles) is nonsensical. For example, everyone in business in this country should employ businesslike practices and, not necessarily make but should contemplate making a profit as one of the goals to which they adhere. It is totally irresponsible and ridiculous for the New Democratic Party to propose the kind of amendment they have. At various times, in various parts of Canada, we find that the word "profit", or even the contemplation of profit, is considered dirty. That is ridiculous. I do not think, in all seriousness, that the NDP mean what they say. If they do, my guess is that the NDP will come back with a significantly reduced number after the next federal election.

Some hon. Members: Hear, hear!

Mr. Murta: The hon. member for Winnipeg South Centre (Mr. McKenzie) spoke earlier this afternoon. He indicated the kind of problems that governments have, and certainly the federal government is no stranger to these problems, when forming, running and operating Crown corporations or arm's length corporations which have a tie, or are under the jurisdiction of the government when this, at least intent, of profit is