

Air Canada

tions. It is not just the number of Crown corporations which makes the difference in terms of whether or not we are going to have a society left for free and enterprising people; it is also the scope with which various enterprises, Crown corporations, can extend themselves which is important.

One thing that is obvious in the writ of Bill C-17 is that it offers a broad-ranging scope to enable this Crown corporation, Canadian National, or Air Canada, to participate in a considerable amount of current enterprises being undertaken in Canada by the private sector. As the hon. member for Vegreville (Mr. Mazankowski) mentioned, the trucking industry of this country is very likely to face increasing competition. In response to the hon. member for Vegreville, the minister pointed out that he would give certain assurances, as minister, that there would be some competition in the trucking area under the regulations. However, I suggest we need much more than an assurance from a member of the cabinet or from the government of the day if the future of the industry is to be at all predictable. The industry affected by this legislation has to know what are the rules of the game, and these should be enshrined in the statute. Under this bill we simply do not know the rules of the game.

Last year, Air Canada lost \$20 million in its operations. Let me compare that with Northwest Airlines of the United States, which has about the same capital input, approximately the same number of aircraft, and travels each year approximately the same number of air miles. While Air Canada lost \$20 million, Northwest Airlines made a profit in the same period of over \$100 million. On the other hand—and this is the difference between the two—Air Canada, a Crown-owned corporation, had almost double the staff of the privately-owned Northwest Airlines. That is an important piece of information to bear in mind when we have today a very efficient, free enterprise trucking industry throughout Canada. Under the provisions of this bill at the present time, CN, which generally trucks only from the railway to storehouses and back again, or between aeroplanes, shuttling back and forth, could very easily become a full-fledged trucking enterprise.

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That situation is appalling and frightening to all Canadians. It would not be another Crown corporation, but it would engulf another enterprise. At the present time we have in excess of 1,000 Crown-owned enterprises operating in this country. We have to recognize that some of these corporations are expanding so as to engulf larger and larger proportions of what was previously private dollars.

At the present time, Canadian National Railways has its airline, Air Canada, its hotels, ships, recreation resorts, railways and shopping centres. It is becoming a very extensive operation on behalf of the public sector. Approximately 15 years ago, 28 per cent of the gross national product went for public spending in Canada. Today, something in the order of 42 per cent of our gross national product is going for public spending.

Almost all economists are in full agreement that the private sector creates wealth and, at best, the public sector redistributes wealth. When we take an analysis of what has happened during the past years, we realize more and more that the public sector is taking an increasing percentage of the gross national product. In the past decade and a half we have gone from 28 per cent to 42 per cent. If you put this on a pie-shaped graph and you expand your total GNP and the public "take" out of it, the obvious answer is that there is that much less left over for the private sector.

Thus, we get into situations whereby we have a problem with our balance of payments, with the creativity of wealth in the country and with unemployment. A portion of that is related to the type of bill we have at the present time which provides for the expansion of Crown corporations to operate more and more in areas which were traditionally part of the private sector. While there may have been a motive for the government to make an effort in terms of trying to assist Canadians in the exploration of oil and gas, the natural conclusion ought not to have been to develop Petro-Can as it was in the bill put before the House of Commons.

That act dealt with the exploration and search for hydrocarbon fuels. It also referred to service stations at street level where grease-jockeys jacked up cars and serviced them as a Crown corporations. While we have not moved to that phase, this bill is another example of the government moving into the private sector right down to street level. Do we want our cars to be serviced and looked after by the same people who run the Post Office? When we take a look at the Post Office, we see an institution which turned a profit for this country 15 years ago and lost \$700 million this past year. As we take a look at Bill C-17, one of the reasons these two amendments have been placed before the House is to put some limitations on the extent to which Crown corporations can grow.

The trucking industry needs a forum for the airing of grievances, and it needs an assurance of predictability. A sensible private trucking industry cannot operate across this country if at the same time the government of Canada is involved in that business. Few people recognize that Canadian National is the biggest trucking corporation in Canada today. Regardless of the assurances by the minister, the trucking industry as a subsidiary of Air Canada can expand into direct competition with the last of our enterprising people.

A young person starts out by purchasing a truck in order to operate his own business. It is inexcusable of the government to leave a loophole in its legislation allowing for the largest trucking sector to expand in direct competition with the trucking industry. The Minister of Transport (Mr. Lang) gives assurances that if we do not have more than that, then it is a pretty weak case for people purchasing fleets of trucks in order to get into the industry. The objectives of these people are to service the country and expand their businesses. They have been given nothing but assurances by the minister that he will not do it, but the legislation allows for it.

In terms of growth, this legislation could place restrictions, and therefore this amendment must be debated. If the govern-