

Oral Questions

Mr. Axworthy: Mr. Speaker, I want to raise a question with the Deputy Prime Minister. In the statement made this morning the Government makes very clear that it is going to incorporate into legislation a commitment to retain the corporate headquarters of Air Canada in Montreal. That is a good stand with which I agree.

However, why, in terms of commitments to the maintenance base in Winnipeg, is there no such commitment incorporated in legislation? All we have are good intentions which the Government cannot back up because it is giving away the power to back up those commitments.

Why will the Deputy Prime Minister not incorporate the commitment to Toronto and Winnipeg as it has for Montreal?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I first want to thank the Hon. Member for Winnipeg—Fort Garry for giving me the benefit of his advice, counsel, and wisdom over the years. We have followed a number of his speeches and comments. He talks about the qualification which he put on that particular statement. My understanding is that if it was to be recapitalized, in some way, shape, or form, Air Canada would have had to have had an injection of money.

Mr. Axworthy: Right. You got it.

Mr. Mazankowski: I am surprised that when the Member was the Minister of Transport he did not elect to do that. On March 29, 1984—and I think he was the Minister of Transport at that time—he said: "The company Air Canada has good opportunities for growth but the Government is not willing to make the necessary capital investments". That statement was attributed to the Minister of Transportation by *The Globe and Mail* on March 29, 1984.

He had the opportunity, he had the option. Why did he not choose to do it?

Mr. Turner (Vancouver Quadra): What's the point?

Mr. Mazankowski: Mr. Speaker, for the benefit of the Leader of the Opposition, I was clarifying his colleague's statement.

Mr. Turner (Vancouver Quadra): Thank you. We had difficulty following that one.

Mr. Mazankowski: Mr. Speaker, I invite the Hon. Member to reread the statement which provides assurance of an employee share purchase plan, that no individual shareholder will be permitted to own over 10 per cent of the publicly issued shares, and that cumulative foreign ownership will be subject to a restriction of 25 per cent.

It then goes on to say:

That the major operational and overhaul centres which have been built up over the years in Montreal, Toronto, and Winnipeg are sources of great pride for Air Canada and fundamental to the success of this airline . . . The overhaul base in Winnipeg will continue as a prominent and integral function . . .

It is all part and parcel of the same qualifications and commitments that we made.

Mr. Axworthy: Mr. Speaker, it comes as a surprise to me that they use my speeches for advice. I thought they got all their advice from Frank Moores.

RETENTION OF MONTREAL HEADQUARTERS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, the Government has made a very clear commitment to entrench in legislation the preservation of company headquarters in Montreal, which is a proper case. However, under the statement made by the Minister today the Government has no powers to do that for any other establishments of Air Canada, including those in Toronto and Winnipeg. We want to know why the Government is prepared to do that for one centre but not the others.

Taking into account the Minister's so-called commitments, will he say today in this House of Commons, in Question Period, that he will make the commitment to Winnipeg and Toronto that they will get the same protection in legislation as he is offering to Montreal?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, obviously the corporation, whether a Crown corporation or a private corporation, has to have a head office. That is incorporated in the legislation as other areas will be incorporated in the legislation and/or the Articles of Incorporation. That is what I said.

WINNIPEG MAINTENANCE BASE—MINISTER'S COMMITMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is for the Deputy Prime Minister. In his statement this morning he makes it clear that the Chairman of Air Canada will vote in accordance with the directions of the private shareholders. How can the Minister guarantee the 2,300 employees of Air Canada in Winnipeg, and particularly the large number who work in the maintenance base, that the private shareholders will follow the commitment which the Minister is making in his statement today?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, there is a firm undertaking in an Air Canada public release which is obviously endorsed by the Chairman of Air Canada and indeed the President of Air Canada. That is the same today as it was yesterday.

Mr. Blackburn (Brant): How about a year from now?

FUTURE OF WINNIPEG BASE

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the Chairman of Air Canada made a statement based on instructions he received from the present owners. However, the