

Air Canada

The two national airlines in Canada are competing for a very small market and both of them end up losing money.

It seems to me only reasonable that when an airline sets up a package tour, for example, it has to tie in with hotels to provide service to the travelling public. In the same way it is important that Air Canada have access to the trucking of air freight which it moves. It is extremely important that Air Canada be integrated so it can provide service to hotels and truck air freight.

What bothers me is that hotels which are owned by the people of Canada are being turned over to the Hilton chain to manage. It seems to me that this is not in the best interests of the Canadian public, particularly the travelling public. For example, right now the Hotel Vancouver is into a strike position. It is administered by the Hilton chain under contract to CN. We have never had a strike in 26 years among the workers at the Hotel Vancouver, but now that management has been turned over to the Hilton chain, lo and behold we have our first strike there. This is one concern we have when hotels are turned over to foreign outfits to administer.

I always get a charge out of the argument made by my colleagues to my right. They want no government interference in the market place, in the so-called private sector. However, when the private sector is having difficulty and needs support prices for its products, the bottom having fallen out of the market because of free market competition, it asks the government for a subsidy, a handout.

As my colleagues to my right know full well, one thing we do not have in this country is a free market. We have an administered market. Whether my friends like it or not, the giants in a particular sector set the trend. It strikes me that the free enterprise system does not want competition; it wants to control the market so it can take advantage of all the spin-off effects.

We have been invited to look at past history. We know that the taxpayers of this country built up CP by giving the company millions of acres of land. Now when taxpayers in various cities across the country, specifically in the city of Sudbury where CP is located in the downtown area, want the land back, CP tells them they will have to pay for it. As I say, the land was given to CP in the first place, in return for which they were to provide a service to the people of this country. We now have a perfect example of what happens when modes of transportation, operated by CP and CN, compete for the rail travelling public.

Competition is not the solution to the problems of rail transportation. We do not have a large enough travelling public to make both these giants profitable. We know their routes cover long distances and their upkeep costs are tremendous, but it is illogical to expect both corporations to make money when they parallel each other's routes across the country. Therefore it is only fair that the government's philosophy on transportation should be directed to providing service.

When the Canadian Transport Commission was considering an east-west route from Montreal to Ottawa, Sudbury, Thun-

[Mr. Rodriguez.]

der Bay and on to Winnipeg, two airlines, Nordair and Air Canada, applied for the route. Nordair put a great lobby on in this House with the members from northern Ontario.

Mr. Peters: Order!

Mr. Rodriguez: They held big cocktail parties, wine and cheese parties. They wined and dined—

Mr. Peters: Order!

Mr. Rodriguez: The hon. member for Timiskaming (Mr. Peters) can call order all he wants, but he was there and was part of it. He went down to the Carlton Towers hotel where members were wined and dined.

An hon. Member: Did you go too?

Mr. Rodriguez: No, I was not there. I refuse to participate in any of these lobbies.

Mr. Baker (Grenville-Carleton): How about the teachers' federation? Do you go to their functions?

Mr. Rodriguez: No, I do not. I go to their cocktail parties but they are not after a franchise. But hon. members are casting aspersions. I do happen to be a fellow of the Ontario Teachers' Federation and, as such, I am a sort of honorary dignitary at the meetings of the federation.

Mr. Peters: You are one of the nabobs of the federation.

Mr. Rodriguez: Nordair laid on a splurge for members from Ontario, and I am glad to say that my colleague from Timiskaming attended. The next day they all got the big pitch. They wanted letters of support for the Nordair application before the CTC for the route from Montreal through Sudbury and on to Winnipeg. My support went to Air Canada.

● (1540)

Mr. Peters: Tell us what happened when they got it.

Mr. Rodriguez: Yes, Air Canada got it and they are servicing—

Mr. Peters: They got it, but they are not servicing it.

Mr. Rodriguez: I do not agree with that.

Mr. Peters: Be honest about it.

Mr. Knowles (Winnipeg North Centre): Order!

Mr. Rodriguez: I fly via Air Canada to Ottawa, and I arrive at 3.45 o'clock from Sudbury. It leaves Sudbury at 2.50. It is a very profitable route and is quite crowded. I argue in favour of Air Canada because it has to provide service on routes where no money is made. Therefore Air Canada has a right to have a route which is profitable.

The government ought to espouse that concept of transportation. It is not a question of making profit. It is a question of serving the people of this country with a particular airline,