

Air Canada

has provided the service. It has led the way and taken the initiative to provide service to those communities, both in terms of passenger and cargo service. Transportation and air transportation must be first and foremost a major part of any economic model. Because the Government of the day is urging Air Canada to get out of those smaller runs which do not generate the same profit as the big runs, for example, from Halifax to Toronto, or Halifax to Montreal, it is being given out to new airlines to pick up those routes.

A very good example of that has happened. A new company called Air Bras-d'Or, funded by the Government of Canada, opened its doors and advertised that it was going to transfer people from Sydney to Halifax to Port Hawkesbury. What happened to Air Bras-d'Or? There is no longer an Air Bras-d'Or company servicing that particular area, because it could not generate sustainable profits over a period of time to stay in existence. However, with a national airline reaping the profits from the major routes, it then had the ability and cash flow to service smaller communities.

I guess that the Government is only concerned with that corridor of Toronto, Montreal, Vancouver. I would have thought that representatives from Charlottetown would have been so concerned that they would have stood up for the people of Charlottetown after a Liberal Government put in place one of the nicest airports in all of Atlantic Canada. We will find within the next fiscal year that there will be lay-offs of employees at the Charlottetown airport, and we will find that the service will decrease substantially. We will also find that the economic benefits and opportunities will decrease accordingly because the Government has failed to keep a national airline serving all of Canada, not only the plush corridors of this country.

Mr. McMillan: Charlottetown is a plush corridor.

Mr. Hawkes: I am motivated to make a few comments. This debate is *déjà vu*. This is the thirteenth privatization of this Government, and I hear the same predictions about lay-offs from the same speakers. I hear the same predictions about drop in service from the same speakers. I challenge the Hon. Member to stand in his place and name one of our privatizations that has produced lay-offs rather than increased jobs, increased service, and increased customers. That is the characteristic of each and every privatization undertaken by the Government.

● (1630)

The same thing will happen with the privatization of Air Canada. The deregulation which this Government has accomplished has produced association between feeder airlines and the larger companies. Employees are better paid, more satisfied. There are more services to more communities through more flights. The safety record is outstanding.

Some Hon. Members: Hear, hear!

Mr. Hawkes: The reason is really quite simple. No company makes a profit without customers who pay the bills. In the airline business it is service, schedules, equipment that attract customers. The airplanes are better. It is people happy in their jobs, who satisfy customers when they come in. In the airline business it is the safety record.

Some Canadians are still afraid to fly. The safety record is an important aspect in attracting those customers and producing those thoughts. This privatization will serve consumers and employees well and customers very well, indeed.

Mr. Dingwall: Mr. Speaker, responding briefly to the challenge of the Hon. Member—and I take the challenge seriously—he has asked what Crown corporation or what agency of the Government of Canada has been privatized where job loss has occurred. The Hon. Member must be living in a dream world. The fact of the matter is, CN Route was privatized to become Route Canada. It has closed its terminal in many communities across this country, in particular in Sydney, Nova Scotia. It has closed its entire operation, throwing 22 people out of employment. That is what it has done. So do not tell me that these privatization matters that you people are engaged with, along with the Air Canada privatization, will not result in job loss. We have ample evidence to suggest, beyond a shadow of a doubt, that that will occur.

The Hon. Member is smirking over there, but he knows only too well that places like Charlottetown, Sydney, Moncton, Fredericton, Stephenville and Corner Brook will have major lay-offs within the next fiscal year. If he does not have the guts to stand up in the House of Commons to—

Mr. Turner (Ottawa—Carleton): And de Havilland fired hundreds of people.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Resuming debate with the Hon. Member for Thunder Bay—Atikokan (Mr. Angus).

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to participate in the third reading debate on Bill C-129, an Act to sell out Air Canada.

I want to deal with a couple of matters, some of which my colleague who spoke just before me has touched on, in particular, the interrelationship between the privatization plans of this Government and its deregulation plans. It is acting in concert, and one is the natural extension of the other. We started with the Liberals before the last election floating the concept of deregulation in the air industry. Changes were put in place to ease the restrictions to allow carriers to get in and out of the business much more readily and to get in and out of routes much more readily, in and out in the sense of providing services to it.

When we speak of the evolving hub-and-spoke system that has been developed in Canada, much as it did in the United