

*Air Canada*

not with the kind of privatization that is now proposed, but with a kind of privatization where the government would still exercise control as long as the company provided Canadians with adequate service.

**Mr. Keeper:** Madam Speaker, I have a supplementary.

**The Acting Speaker (Mrs. Champagne):** The Hon. Member for Winnipeg North Centre (Mr. Keeper) for a very brief supplementary.

**Mr. Keeper:** Madam Speaker, the Hon. Member suggested it is Liberal policy to have that kind of privatization where Government retains control. This Conservative Government said the same thing, namely that such is its policy. What is the difference between Conservative and Liberal policies? The conclusion is that they mean the same service reduction.

**Mr. Grondin:** Madam Speaker, I will simply suggest to the Hon. Member that as far as we are concerned, normally, Liberal Party policy is the same in Quebec as anywhere else in Canada, as opposed to what we hear at times from the New Democratic Party. On the other hand—

**Mr. Keeper:** On a point of order, Madam Speaker—

**The Acting Speaker (Mrs. Champagne):** Order, please. The Hon. Member for Winnipeg North Centre (Mr. Keeper) on a point of order.

**Mr. Keeper:** Madam Speaker, the Hon. Member charged that our party has a policy for Canada and another for the Province of Quebec. That is false, and I ask that he withdraw.

**The Acting Speaker (Mrs. Champagne):** Order, please. The Hon. Member is certainly aware that is a matter for debate, rather than a point of order.

The period provided for questions and comments has now expired. Debate. The Hon. Member for Prince Albert (Mr. Hovdebo).

[English]

**Mr. Stan J. Hovdebo (Prince Albert):** Madam Speaker, I appreciate the opportunity to speak for a few minutes on the partial privatization of Air Canada.

More than 100 years ago Sir John A. Macdonald recognized that Canada needed a uniting force, otherwise it would not be able to stand the pressures of proximity to the United States. Sir John A. Macdonald, unlike the present Conservatives, believed that Canada had the potential to become a great nation, and that Canada could do it on its own, but it needed some protection from the United States in developing that nation. Sir John A. Macdonald believed that we in Canada did not need to use the United States as a crutch.

In fact, quite often in Parliament he expressed the fear that we could easily become an extension of the economy of the United States. To counter that tendency and to ensure that Canada had continuing national status from sea to sea, the

then Prime Minister Sir John A. Macdonald began to build the unifying Canadian National Railway. The circumstances which led to building the national railway were circumstances of geography, distance and remoteness. In the basic sense, those circumstances have not changed. They have changed only in degree. They are still factors that must be dealt with in keeping Canada a viable economic unit and nation. The Government of Sir John A. Macdonald and succeeding Governments established a transportation policy based on that need, a policy which had as its aim a unified Canada.

Looking back in history with 20-20 vision, we recognize that there were many less lofty reasons for the railway policy. However, things like the supply of cheap raw materials from the West to manufacturers in central Canada was one of the policies of that day which still lives on today and is a thorn in the side of the West. Basically, the Government of the day and succeeding Governments decided that, to be part of a nation, one must have the best possible communication between each of the parts, and part of that communication had to be the railway. Further parts of that communication had to do with the telephone system and other systems which grew as Canada grew. As Canada and the transportation of communications technology grew so did the unification policy of the Government grow.

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When the time came, Canada needed a national airline for exactly the same reason as Canada had developed a national railway 100 years before. If it had not been developed as a national airline, an airline which was directed by the Government of Canada within the policy of keeping a unified Canada, what would have naturally happened would have been the development of airlines which went the shorter and cheaper routes from north to south rather than from east to west.

One can easily imagine if we did not have an airline such as Air Canada. It would have been much easier for the coastal cities of Victoria and Vancouver to have attached themselves by air routes to the United States, down the coast. It would have been much easier for the central Prairies to have attached themselves naturally to the northern Prairies of the United States, and for Winnipeg to have joined Minneapolis, and for the joining of places such as Halifax to Boston. This happened to a certain extent. However, by establishing a Canadian national airline which had the type of policy direction which the Government put in place, we developed an airline which had an east-west flow rather than a north-south flow.

The question that we are being asked today is can that unifying movement, that east-west movement, survive without an airline whose policy is directed by the Parliament of Canada and which has as its basic policy unification? This particular Government has made several attacks on the ability of the country to survive under the present circumstances. The big attack with which we have a great deal of concern is of course the Reagan-Mulroney trade deal—