## Air Canada

not done that good a job. The trucking industry has proven to be a very efficient and competitive operation. Otherwise CN and CP would not be getting into it.

We should look to the past and try to learn from our mistakes. We should not protect a healthy and viable industry. It is not dominated by giants but made up of many small entrepreneurial firms.

The trucking industry can move high valued freight from central Canada to the west coast as quickly as air cargo. If the Parliament of Canada decides this industry should be nationalized, let us do it through the front door.

An hon. Member: Like Lougheed.

Mr. Schumacher: He did it very directly via the front door. He operated through the law. I do not think anyone can accuse him of operating illegally.

Mr. Rodriguez: And he did it with heritage funds.

Mr. Schumacher: I do not think the heritage fund had been adopted at that time. Of course I am not here to defend Premier Lougheed and the decision with regard to Pacific Western Airlines. I can point out, however, that we have a government that can be responsible for an airline. It has left the management pretty well unto itself in the day to day operation. At least it makes money. That is something this government cannot claim for this highly protective national airline.

An hon. Member: Did CP make any?

**Mr. Schumacher:** CP did not make any either. That was probably as a result of the policies of this federal government. It is greatly restricted by the amount of traffic it is allowed to handle, largely for the benefit of Air Canada.

I do not object to people operating in these areas as long as there is free and unrestricted competition. What is necessary is that the consumer benefit. We need a free and open market place.

The government wants the power to issue directives in writing to this company because it has a responsibility for it. Naturally it will do everything it can to make it look as though it is making a profit. it may do a good job writing an annual report, but in doing so it will deprive the whole economy of profit competition. We will end up with more and more of these functions being run by the government or through government agencies. I do not like it.

If the intention is to get into freight handling, why not say it? Why is the minister so afraid of taking it in? He agrees with the hon. member for Vegreville (Mr. Mazankowski). All he says is, "Trust me." Well, we might trust him and we might not

If we do trust him, how are we to know what he says here today will bind any future minister or administration? I like to see things done by law, not policy. There is ample precedent for the necessity of this type of amendment. Let us learn from

the past and keep Air Canada in the air business, not the trucking business.

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, when I came into the chamber I did not intend to say anything with regard to the amendments being debated. But after listening to the gobbledygook on my right, I have been stimulated into making a few remarks. It was all I could do to sit and listen to them say how competition will solve the problem and that profit making is the new goddess which must be worshipped. They said we must look to the past and we must keep Air Canada in the air.

The hon. member for Palliser (Mr. Schumacher) talked about keeping Air Canada in the air, but he did not say anything about the extending tentacles of CP investment, CP Air, and the growth of that monolith, Canadian Pacific. They are not only in the air but on the ground in terms of rail freight, passenger business, steel mills, mining corporations and real estate. I suggest to the hon. member for Palliser that we look to the past so that we do not repeat our mistakes, thinking we can provide competition in terms of transportation in Canada and that competition will solve our transportation problems.

We in the NDP look on transportation in terms of service. According to all the articles I have read about railways, air lines and communications, since Canada covers a wide geographic area it is service to the people which should be uppermost in our minds. I have nothing against monopolies. It is just the matter of who owns them that concerns me. I am much more comfortable when a monopoly is owned by the public than when it is owned by a few people sitting in boardrooms in New York state or in the Senate.

• (1530)

Mr. Schumacher: What is the difference?

Mr. Rodriguez: My hon. friend does not know the difference. The difference is that when the people own the monopoly the people have control over it through their elected party.

Mr. Schumacher: Where is the control here?

Mr. Rodriguez: If the hon. member wants to talk about control that is a different matter. If Air Canada is to get into trucking while Canadian Pacific, using vertical integration, can handle the hotel business—

Mr. Schumacher: So does CN.

Mr. Rodriguez: Now just hold your horses.

Mr. Knowles (Winnipeg North Centre): Are there horses in this bill too? Have they horses on the payroll again?

Mr. Rodriguez: No, there are no horses in this bill. I am talking about competition. The population of Canada is so small that you cannot compete with a very small market. Airlines in the United States are competing with each other but they are losing money because there are too many airlines.