

TRANSPORT

STRIKE OF NORDAIR PILOTS—PROPOSED ACQUISITION OF NORDAIR BY AIR CANADA

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I would like to direct a question to the Minister of Transport in connection with the strike of Nordair pilots, which is complicated to quite an extent by the pending acquisition of Nordair by Air Canada.

Since this proposed acquisition has already been partially responsible for two strikes involving pilots and will probably be a contributing factor in a third strike involving Nordair machinists, and since the delay by the cabinet in rendering a decision with respect to the appeal regarding the takeover is causing much confusion and uncertainty in the transportation industry in Canada, I wonder if the minister can explain to the House why the decision is taking so long, and will he tell the House when a decision will be reached and when it will be announced in this House?

Hon. Otto E. Lang (Minister of Transport and Minister of Justice): Mr. Speaker, first I should say that it is surprising to me that the issue of Air Canada's acquisition of Nordair keeps being linked with various labour disputes, because the CTC has made it very clear that in its view the operations should be kept quite separate and independent.

● (1502)

Certainly, anything this government has said has indicated that we support that view at the very least. In addition, of course, the fact that in the case of Nordair an agreement might have been signed for one year, which would have avoided the problem, and negotiations could have included any such issue in the future, seems to be another reason why it should not have complicated the issue, notwithstanding that the government is very close to concluding its consideration of the issue, and I am optimistic that we will be able to make our views known on the various appeals of the CTC decision quite soon.

Mr. Mazankowski: The matter is indeed clouded by the fact that it is part of the negotiating parcel that the pilots are considering, and the fact that it is now being considered by the cabinet certainly adds to the confusion.

May I ask the minister whether the government is considering any other options or alternatives vis-à-vis the takeover, and may I also ask him, when the decision will be rendered, whether it will be accompanied by a statement on the domestic air policy in this country which would cover the operations of third-level regional and trunkline carriers so that we could get some stability and sanity and some degree of continuity in the application of an air carrier policy upon which such acquisitions could be based, with some clear understanding?

Mr. Lang: Mr. Speaker, the possibility of resolving a good number of the questions to which the hon. member refers is among the reasons for the longer time that cabinet is taking in considering this matter. I cannot say, in advance of the final

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decision of the cabinet, how much of that we will be able to do at the time of the decision in relation to the Air Canada acquisition of Nordair shares.

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PUBLIC WORKS

GOVERNMENT LEASING OF OFFICE SPACE

Mr. R. E. McKinley (Huron-Middlesex): Mr. Speaker, I should like to ask a question of the Minister of Public Works regarding the \$750,000 that was wasted last year in paying for empty office space under a lease agreement, and also another \$3.5 million which will be wasted in the next six years if this nonsense keeps up. I want to ask the minister what action he or the government will take to stop this waste of money.

Hon. Judd Buchanan (Minister of Public Works and Minister of State for Science and Technology): Mr. Speaker, the hon. member is referring to the building in Montreal which was leased about 15 years ago for ICAO, the United Nations' agency, which Canadians were most anxious to have established in this country in the period following the Second World War. It was a 20-year lease. Approximately 15 years into that lease, ICAO indicated they were not happy with those quarters, and they were relocated in other quarters. Unfortunately, we had to comply and assist them in finding alternate space.

What we are doing now is endeavouring to negotiate with the landlord a quit lease, and we expect to do so for substantially less than the \$3.6 million to which the hon. member referred. In addition, we would save the operation costs which would normally be paid over the coming years, as well as the taxes.

Mr. McKinley: Why has the minister's department continued to build lavish new office space for the government, while the space I mentioned was available? I can think of many small post offices throughout different parts of the country, the building of which has been delayed because of the minister's program and because all this other waste of money has been going on.

Mr. Buchanan: Mr. Speaker, we were in the position of having a binding lease. Frankly, we looked at the option of revamping or bringing the building up to standard, which would cost approximately \$11 million. Since we were a tenant, as opposed to being the owner, we felt that it would be a bad investment. We have been endeavouring, for the last year and a half, through calls for public tenders, through negotiations with developers and also through working with local realtors, to find tenants. Unfortunately, we were close to having one in the latter part of 1976 but this particular developer backed off after the election of the Parti Québécois government in the province of Quebec, and since that time we have not been successful in finding an alternate tenant.