

*Aeronautics Act*

As recently as 1959 the government of that day decided as a matter of policy that the discretionary authority given to the executive to establish and export duty on power, within a statutory maximum, should be removed and the entire right restored to parliament. This was achieved by placing this power tax under the Excise Tax Act where it is today in section 8. The exact rate of tax was spelled out.

Certain things were said by the minister of finance of that day and if the present minister wishes to find his words they appear in *Hansard* of May 19, 1959, at page 3820 as well as in the Senate *Hansard* of June 17, 1959, at page 839.

The user charge provided in this bill would clearly have a bearing on the revenue of the federal government and therefore it would be a taxation provision. This being so, I submit that the better parliamentary practice requires that the imposition of such a tax should be established by parliament and not by an Order in Council of the executive.

● (5:20 p.m.)

I could cite further authority for the minister but I will not hold up the proceedings of the committee. I suggest to him once again that the idea of imposing a charge for the mere availability of a service has no precedent whatsoever. The analogies he has drawn are poor ones and they cannot be compared with the situation which is being created by this bill. I suggest it would be cured by the removal of the word "availability" and simply leaving the matter on the basis of use.

There is one further, minor suggestion I would make to the minister. When he speaks later perhaps he will explain why this suggestion should not be adopted. I can see no reason for including in paragraph (b) in the second line the words "wherever resident". It seems to me that if use and availability are to be the criteria—and I suggest that the latter would be an improper criterion to use—it makes little difference whether these words are there at all because the criterion is an aircraft that is using the service and it makes no difference where the owner or operator might be resident.

**Mr. Turner:** Mr. Chairman, I do not want to get into an argument on whether it is a charge or a tax. I simply restate the submission I made to the house during second reading, namely, that this is a proper charge and there is ample precedent for giving the Governor in Council the power to make

regulations in respect of such charge for the use of services. With regard to charges for services that may be held available, this provision has become necessary because of the development of the air industry and new means of safety control involving weather information, radar, radio and electronic control. In the interests of safety in the air these services must be held available and it is in the interests of this country to impose a charge commensurate with the cost of providing these services for the benefit of air lines both domestic and international. It is in the interests of safety in the air that the air lines bear a share of these charges.

This type of charge is accepted as legal by the International Civil Aviation Organization. I am advised that the United States is considering an additional transportation charge for this very purpose. President Johnson recently made a request to Congress for this type of charge, using a different means but having the same goal. I am also led to understand that the United Kingdom is considering a systems charge for approaches. Australia has imposed a charge which we believe is similar to the availability charge but our officials do not have the details readily available.

Therefore, Mr. Chairman, there is ample precedent in that the major air nations of the world are moving, in accordance with the development of civil aviation everywhere, toward imposing this kind of charge to reimburse partially the cost of these services which are provided along the great air highways and byways of the world. They are doing this to ensure that safety requirements are kept intact and well above the minimum. That is the basis for it. We have to move ahead with the times. I can assure the hon. member that these charges will not be imposed without consultation with the air lines concerned and we have already given them our undertaking that the charges will be reasonable.

**Mr. Nielsen:** Mr. Chairman, the minister has just added a further argument to my case. He has not directly answered the question: Is there any other country that is imposing a charge for the availability of electronic navigational aids? The answer to that question is no. I think the minister will find that is so. Canada is breaking new ground here. Nobody is attempting to stop Canada moving ahead but I think this is one area in which the government is advancing on a wrong basis.