

**Hon. Mr. Flynn:** Honourable senators, I move the adjournment of the debate until tomorrow.

**Hon. Mr. Cameron:** Honourable senators, I am pleased Senator Flynn has moved the adjournment of this debate until tomorrow, because after the valuable statement of the Leader of the Government (Hon. Mr. Martin) I think it is important that more of us have an opportunity to say something about it. I hope I may be able to express my views as well.

Motion agreed to.

### AIR CANADA

#### MOTION TO REFER ANNUAL REPORT TO NATIONAL FINANCE COMMITTEE—DEBATE ADJOURNED

**Hon. Donald Cameron** moved, pursuant to notice:

That the Standing Committee on National Finance be authorized to examine and report upon the Report of Air Canada for the year ended December 31, 1970, tabled in the Senate on Monday, 5th April, 1971.

He said: Honourable senators, I will give some evidence which I think will justify this motion, but first I should like to compliment Air Canada on their most attractive annual report. It is in the best form of many kinds of annual reports that I see, and is a pretty smooth job, but in going through it I found a number of things in respect of which I think the Standing Senate Committee on National Finance would be warranted in asking for an explanation.

In raising the question of the efficiency, or otherwise, of Air Canada's current operation, let me begin by saying I am in no sense an expert on air operations or airline management, but I am an experienced air traveller, having made my first flight in 1933 from London to Le Bourget. I have had a long 38 years as a consumer of airline services. In that period of time I have flown three times around the world, and several times to Southeast Asia, to Russia, and to China.

In the early days of flying, it was my privilege to know and to fly with that distinguished "seat-of-the-pants" flying school which included men whose names are household words in Canadian flying circles—"Punch" Dickens, "Wop" May, Cy Becker, Stan MacMillan, Frank Tweed and many others. I knew these men so well that I was often invited to go for a ride with them when they, or the companies they worked for, were trying out a new plane. These men made a distinguished contribution to Canadian aviation, and out of their pioneer work came our present airlines—Air Canada, CP Air, Pacific Western, Transair, Nordair, Quebecair, Eastern Provincial Airlines, and a lot of others.

I started using Air Canada as soon as it was established, and I have been using it ever since. I have always been proud of Air Canada. It rightfully claimed to be one of the world's great airlines. Its flying personnel have established a safety record without peer among the airlines of the world, and I still think they are performing to a high standard. Under the pioneer leadership of the

wartime pilot Mr. Gordon MacGregor, and his associates Mr. Symington and Mr. Wood, Air Canada became a household name and justly earned the affections of millions of Canadians who had enjoyed the service of a fine team of men who were dedicated to their work, and who set a high standard of performance and maintained a fine esprit de corps in the company and a good rapport with their customers. But time takes its inevitable toll. Mr. Gordon MacGregor, Mr. Symington and Mr. Wood have all retired and a new team has taken over.

There was great fanfare when the new team of Messrs. Pratte and Baldwin moved into the driver's seat. They were going to improve on the fine reputation of Air Canada, they were going to improve the service to their customers, and they were going to reorganize and restructure this great organization and make it even better.

There were some people at the time who questioned the wisdom of appointing two new people to the top positions, neither of whom had had practical experience in running an airline. Being Deputy Minister of Transport, as Mr. Baldwin was, certainly gave him some knowledge of air operations, but as a civil servant and not as the man who had to make the day to day business decisions. Mr. Pratte was, by his own admission, a lawyer with no airline experience whatever. In saying this, I am not reflecting on these gentlemen in any way.

Mr. Pratte has stated in his evidence before the Transport and Communications Committee of the House of Commons that he made an early decision to call in a management consulting firm to advise him on the reorganization or restructuring of the Air Canada operation. That is a perfectly reasonable management decision, regardless of whether the consultants selected were the best available or not. Certainly the firm chosen, MacKenzie Management Consultants, have had much experience. Whether that experience qualified them to advise on the special problems of operating a Canadian airline over great distances and under extreme variations of climate can only be assessed on the basis of the results obtained from the implementation of their recommendations—if their recommendations have been implemented in whole or in part.

I said at the beginning of this address that I had no expertise in running an airline, but I have a lot of expertise as a consumer of the airline's product—transportation and service. I indicated that I had been flying with Air Canada since the company was formed in 1937—that is, for 34 years. Thirty-two years of that time were flown under what we may call the MacGregor regime, and only two years under the Pratte-Baldwin regime. To make my qualifications to comment more specific, let me say that I have made 590 trips across Canada, if I may describe a flight from Calgary to Ottawa as a trip across Canada. I hasten to add that most of these trips were made either at my own expense, or at the cost of the universities which I serve or my companies. These flights were not paid for as alleged by a man who sent me a clipping from the *Calgary Herald* which