

*Adjournment Debate*

Nepean are gradually, inextricably but surely becoming the high technology centres of Canada. There is a feeling that we should do everything possible at the local government, provincial government and federal government levels to encourage other industries to settle here as well. There have been meetings with representatives from the cities of Kanata and Nepean, representatives from the townships of Osgoode, Rideau, Gloucester, and representatives from the local chambers of commerce. Out of all of these meetings has come the importance of quickly establishing an air service of the kind I have described, at least as a first step toward completing this industrial component. We regard this just as important as having our educational systems respond.

Two carriers have applied. Air Canada—which does not intend to provide the service itself—has for a legal reason decided that it would intervene to oppose the application. This is not the first time. The Parliamentary Secretary to the Minister of Transport (Mr. Bockstael) is here. He knows. It was pointed out by the member for Winnipeg-Assiniboine (Mr. McKenzie) that the situation had occurred in Winnipeg. It was done simply to preserve something Air Canada had, and is not using.

An editorial in the Ottawa *Citizen* for Tuesday, January 13, 1981, summed it up as follows:

Air Canada is supposed to be in the business of flying people, not grounding them. Yet that is exactly what it is ready to do in its opposition to applications by two regional carriers to provide an Ottawa-New York air link. Air Canada's attitude is curious—while it has no legal rights to the route itself, it doesn't want anyone else to use it.

● (2205)

I think it is curious, indeed, and we are entitled to an answer. We are entitled to know as well what the stance of the government is. The Minister of Transport wrote a letter which I received today in which he said that under the Air Canada Act of 1977 the governor in council may give the company directions of a general nature. The point I want to make to the minister is this: please have the government give directions of a general nature. Have the company stand aside from its objection, because as sure as God made little apples, the presence of Air Canada in this matter before our Canadian Transport Commission is going to slow the process. The whole regulatory process takes on the dimension of not being a contest between two air carriers, First Air and Air Atonabee, but of involving a third right. It becomes complicated and it interferes with the minister's other responsibilities, to indicate to that commission that the government itself has an interest in diversifying the economy in this area.

I would ask the minister whether he will intervene in this matter in accordance with the powers of the act of 1977. Have Air Canada withdraw its application for a service which it does not intend to use. Allow the two contending parties to come before the CTC quickly so that a service, which is generally recognized in the national capital community can proceed; so that what businessmen have told us can come to pass; so that what municipal officials have told us is essential can come to pass, and so that we may have a direct air link

between a commercial centre like New York which is important and which has been demonstrated as important in all the submissions which have been made.

I know the Minister of Transport has a personal interest in this because he represents a seat within the national capital. All of us who represent seats within the national capital have that interest. I ask the minister through his parliamentary secretary, who is kind enough to be here tonight, to answer my question. Will the minister intervene and, if so, to what extent? Can the time be shortened in which an application can be dealt with? Will he ask the minister or inform us whether he is prepared to reconsider the advice he gave me by letter today, and give the company "directions of a general nature" in respect of its attitude toward this application by two Canadian carriers to provide a service which Air Canada does not seem to want to provide? I think the service would be of benefit to this area, to the whole region of Ottawa-Carleton. Thank you, Mr. Speaker.

**Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport):** Mr. Speaker, the minister has asked me first of all to convey his regrets that he is not able to be present for this debate. The question of a direct Ottawa-New York air service is, of course, of utmost interest to him as it is to the hon. member for Nepean-Carleton (Mr. Baker).

The central point in considering such a service is the fact both Canada and the U.S. must work within the terms of the existing bilateral air agreement. Under the agreement the New York-Ottawa route has been allocated to a U.S. carrier. If Canada wanted a Canadian carrier to operate the route, approval of the U.S. authorities would be required.

Naturally the minister was pleased to see two Canadian carriers, First Air and Air Atonabee, take the initiative and apply to the Canadian Transport Commission for the route.

● (2210)

It is his hope that the regulatory process in both Canada and the United States can be dealt with as quickly as possible.

With respect to Air Canada's intervention and the applications before the CTC, I understand the minister has had the opportunity to explain his position more fully to the hon. member since his question last week. Since Air Canada is fully entitled to take this action under the existing regulatory framework and since the intervention is not likely of itself to delay the CTC's final decision, the minister does not feel it would be appropriate for him to tell Air Canada to withdraw its intervention.

In conclusion, the minister has asked me to stress his close personal interest in such a service and to assure the hon. member that he is exploring all available options to achieve it as soon as possible.