

*Aeronautics Act*

minister will recall that when the 1963 session was prorogued the announcement was made that a Canada-United States agreement had been concluded for the purpose of providing greater safety at times of peak air traffic. Under the agreement that was concluded it was stated that air traffic control centres in either country would be extended to 50 miles beyond the border of the country concerned whenever conditions warranted.

I suggest to the minister that at such times it would be possible for Canadian authorities exercising air traffic control, which Canada would, in that 50-mile strip south of the United States border to route all United States air traffic within the 50-mile limit inside the Canadian border. The minister shakes his head, but it is possible under that agreement. The minister knows that when aircraft are using Canadian air space they are under the control of air traffic control and do what they are told. As a safety measure this seems perfectly acceptable and indeed desirable; nevertheless it does throw that possibility into the field of discussion of this bill.

It is my submission that the international air lines recognize that the services Canada provides cost money. These services cost a national government money and must be paid for as far as possible. At the same time, the cost of such services to each international air line must have some direct bearing on the value of the service to the aircraft in question. This result cannot be achieved if the availability of a service is the only test whether there will be a liability. Perhaps a better, fairer and more appropriate criterion for determining liability would be need of a service by a foreign aircraft resulting from a contract.

If this cannot be achieved with efficiency perhaps the better alternative would be to come to an international arrangement under the auspices of ICAO. Perhaps that would be the better solution. The minister might inform the house whether the provisions in this bill have been discussed with any international air organization such as ICAO, IATA or any other.

There was an objection with regard to clause 2 of this bill when it appeared in the form of clause 2 of Bill No. C-117 and empowered the governor in council to make regulations. The clause in Bill No. C-117 stated that the Governor in Council could, if it so desired, make regulations imposing a user charge upon foreign aircraft. Undoubtedly it would have to be admitted that such a

user charge would represent a form of tax imposed against the owner of the said aircraft. As clause 2 was drafted, parliament had delegated the right to impose a specific tax of this kind to the Governor in Council. It is even worse now, because the delegation by parliament has gone beyond the Governor in Council and that power has been delegated to the minister himself.

I believe this is an infringement on the taxation jurisdiction which parliament should not be asked to accept unless it is the intention to spell out in the bill itself the limitation intended to apply to such a tax. The minister says it is not a tax, but it is a form of tax particularly when it has reference not to the rental of buildings but to the use of facilities. It would be different if there were a contractual relationship whereby foreign or domestic carriers had agreed that they would pay a specified sum over a specified time for the use of a specified facility, but when the criterion is based on the general availability of any service it is no longer based on contract but is in the form of a tax. There is quite a distinction, which I do not believe the minister will accept, but I am not merely splitting hairs here. There is a very valid distinction between the imposition of a charge for the general availability of services and the charging of rent for the use of specific property. So I suggest that this principle in the bill is objectionable.

I shall leave the remaining clauses of the bill until we reach them, because I have specific comments with respect to other clauses. Before concluding my remarks, however, I make the general observation to the minister that the government these days appears to be—I say this with all respect to the dedication of the officials of the Department of Transport with respect to the direction they are taking and the objectives they wish to achieve—overwhelmingly concerned, almost to the exclusion of general aviation, with commercial aviation in this country. There is really an overabundant concern with commercial aviation and almost a neglect to foster and encourage the growth of general aviation in this country, particularly with regard to the north. In the north private companies and individuals have gone to the extent of establishing radio facilities at their own expense because it was said there was no need for such facilities or they were too costly. There are two instances in the Northwest Territories where this has occurred and private companies at their own

[Mr. Nielsen.]