

HOUSE OF COMMONS

Thursday, December 20, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[English]

TRANSPORT AND COMMUNICATIONS

MOTION FOR CONCURRENCE IN SIXTH REPORT OF STANDING COMMITTEE

On the order: Motions:

December 13, 1973—Mr. Howard:

That the sixth report of the Standing Committee on Transport and Communications, presented to the House on Thursday, December 13, 1973, be concurred in.

Mr. Speaker: I understand that the hon. member for Skeena seeks at this point to move concurrence in the sixth report of the Standing Committee on Transport and Communications, presented to the House on Thursday, December 13, 1973.

I have already indicated to the hon. member that the Chair has reservations, not about the report itself but about the motion to concur in the report. My suggestion to the hon. member, and, of course, I will be pleased to hear him or any hon. member who would like to enlighten the Chair on the procedural aspect, is that the report itself goes beyond the committee's terms of reference in the sense that a bill was referred to the committee and what we have received from the committee is a report making a recommendation of a substantive nature. A study of the precedents indicates that although there have been a number of similar reports, which I am sure are very useful and which appear in the *Journals* of the House, there is no precedent to substantiate the proposition that concurrence in such a report can be moved so that it can be the subject of a debate in the House. That, basically, is the objection taken by the Chair, but I would be pleased to hear the views of hon. members and have the benefit of their guidance.

Mr. Howard: Mr. Speaker, I gather from what you have just said that the substance of the report and of the recommendation, which is a very simple one, that the government consider the advisability of refusing to ratify the purchase by Air Canada of 30 per cent of the capital stock of Wardair Canada Limited, does not in itself transgress the rules in relation to the expenditure of funds or giving direction to the government. It simply adopts the usual phraseology that the government consider the advisability of doing, or not doing, a certain thing in accordance with the standard form for recommendations of this nature. I gather your concern is whether or not the subject matter of the report, namely, the agreement between Air Canada and Wardair, lends itself to being reported on

because it arises out of the consideration of a particular bill which was referred to the committee, Bill C-164, to authorize the guarantee by Her Majesty of certain securities to be issued by Canadian National Railways and certain debentures to be issued by Air Canada.

In the course of the committee's deliberations in considering the extent to which the bill was acceptable. Mr. Pratte and a number of other witnesses from Air Canada went extensively, both voluntarily and in answer to questions, into aspects of the relationship between Air Canada and Wardair. Since this agreement has not yet been formally consummated, basically what was being sought in the bill was a guarantee of certain debentures to be issued by Air Canada, part of the proceeds of which could go toward the purchase of a 30 per cent equity in Wardair at a cost to Air Canada of something less than \$3 million. Provision for this \$3 million was made in part within the bill itself.

● (1410)

I do not want to go into detail about the proceedings before the committee or to make any quotations therefrom. Succinctly put, there was extensive debate, examination and elaboration on the relationship between Air Canada and Wardair. Reference was made to an amount of something less than \$3 million to buy an equity in Wardair, with part of the money to come from the financial authority contained in the bill in so far as Air Canada was concerned.

It seems to me quite appropriate that if the committee saw fit to make a particular report about one aspect of the bill without in itself defeating the bill, if it did not want to refuse to report the bill because it did not agree with this particular provision, the committee had no other course to take but to make a specific recommendation concerning one aspect of the provisions of the bill. As I interpret the proceedings before the committee, especially the motion moved in the committee, it was the hope and intention of the committee to ask the House to express an opinion about the agreement between Air Canada and Wardair, an agreement that was initially authorized by the Canadian Transport Commission. The decision of that commission was subsequently appealed to the cabinet. Evidence was given during the proceedings that the cabinet was, as of December 13 when the report was made, seized of the appeal of the decision of the Canadian Transport Commission to endorse the agreement between Wardair and Air Canada.

All that the motion seeks to do is to have the House express an opinion in regard to recommending to the government the advisability of not ratifying that particular agreement. If the agreement is not ratified the \$3 million contemplated to be guaranteed in part by Her Majesty as set out in the bill need not be provided. To my way of thinking, it is perfectly within the ambit of the financial structure of the bill because it relates to the