

## GOVERNMENT ORDERS

[English]

### AIR CANADA ACT, 1976

#### MEASURE RESPECTING REORGANIZATION OF AIR CANADA

The House proceeded to the consideration of Bill C-17, respecting the reorganization of Air Canada, as reported (with amendments) from the Standing Committee on Transport and Communications.

**Mr. Speaker:** There are nine motions on the notice paper to amend Bill C-17. Motions 1, 2 and 3 stand in the name of the hon. member for Vegreville (Mr. Mazankowski), and I gather they could be grouped for debate. However, the Chair has some concern about the procedural regularity of motion No. 3, which would appear to be defective in that it goes beyond the scope of the clause which it seeks to amend, that is, clause 6 which deals with the capacities and activities of the corporation and, more particularly, in subclause (4) with the establishment of subsidiaries. Essentially, the proposition contained in subclause (4) is that the corporation shall not do certain things without the authorization of the governor in council. But motion No. 3 seeks to import a new proposition by adding the concept of public hearings and publication, which are not part of clause 6.

I would, of course, be prepared to hear argument on that point when we come to it. However, I want to advise hon. members also that clauses 4 to 9, inclusive, could be grouped for debate but would be voted upon separately if necessary. So there would be, essentially, two groups of votes and separate votes, if necessary, on each of the motions in the second group.

**Mr. Mazankowski:** That is certainly agreeable to members on this side of the House. Perhaps the government will be disposed to accept motion No. 1 and, if so, motion No. 3 might be answered in part. So we shall be able to deal with the thrust of motions Nos. 1 and 2 and perhaps, with the permission of hon. members, we might be able to broaden the debate sufficiently to include argument having to do with motion No. 3. However, I am optimistic that the government will have second thoughts about motion No. 1. Hopefully, they will accept it—and that would be satisfactory to us.

**Mr. Speaker:** For the moment, then, the House might launch into a discussion of motions Nos. 1 and 2 with the idea that some reference of an explanatory nature might be made to the substance of motion No. 3. But I shall not put the question on motion No. 3 at this time. After discussion has been concluded on motions Nos. 1 and 2, it might be necessary for the Chair to hear further argument and make a decision with respect to motion No. 3. For the moment, then, the discussion is on motions Nos. 1 and 2, both in the name of the hon. member for Vegreville, seconded by the hon. member for Edmonton Centre (Mr. Paproski).

**Mr. Don Mazankowski (Vegreville)** moved:

Motion No. 1.

### *Air Canada*

That Bill C-17, respecting the reorganization of Air Canada, be amended in clause 6 by striking out line 25 at page 2 and substituting the following therefor:

"vehicles necessarily or incidental to movements by air freight into or within Canada, and in compliance with highway transport regulations in each province, and facilities for the transport—"

Motion No. 2.

That Bill C-17, respecting the reorganization of Air Canada, be amended in clause 6

(a) by striking out lines 14 to 17 at page 3;

(b) by striking out lines 18 to 21 at page 3 and substituting the following therefor:

"(2) For the purpose of carrying out the activities referred to in subsection (1), the corporation has the capacity, rights, powers, privileges, duties and obligations of a natural person."

and by renumbering subclause 4 as subclause 3.

He said: Mr. Speaker, as you correctly pointed out, the three motions which I have proposed, two of which we are now debating, are closely related, so we on this side welcome the idea of discussing the contents of the motions as one. The bill to reorganize Air Canada is one which we in our party have welcomed. The legislation serves to broaden the scope of the activities of the corporation.

Clause 6(1) outlines the capacities and the activities of the corporation. Clause 6(1)(i) is an umbrella or catch-all provision enabling the corporation to do such other things as are necessary or incidental to the carrying out of its activities. Then we go to clause 6(2) which gives the governor-in-council power to authorize the corporation to engage in or carry on activities not otherwise authorized by the act. So the powers which it is suggested should be delegated to the corporation and to the governor in council are extremely broad and discretionary. It is for this reason I have moved motion No. 1.

There is a great deal of concern with respect to the possibility of Air Canada engaging in trucking activities for hire beyond its primary purpose. The scope of the activities and capacities suggested in the bill has given rise to a great deal of concern among those engaged in the trucking industry, an industry which is essentially in private hands and which is represented by well over 13,000 individual business entrepreneurs. At a time when we are placing a great deal of emphasis on the needs of small business and trying to develop a policy which will maintain and foster the strength of small business in this country, it is necessary to take every precaution to ensure that this important section of our economy is preserved and that nothing is done which will undermine the capacity of small business enterprises to survive, grow, and participate fully in the nation's economic life.

I believe the bill is weak in that it fails to provide sufficient protection to the trucking industry. We know that Air Canada has become a competitor with the for-hire trucking industry in the movement of goods of high value between metropolitan centres. Competition between plane and truck already exists on a trans-continental basis. I am told the service between Toronto and Vancouver is such that straight air cargo shipments do not arrive at their destination any quicker than those sent by the expedited trans continental trucking service now provided. It is anticipated that as progress is made there will be increased scope for intermodal competition between air-