Here again, in respect of the use of the airports maintained by the Department of Transport I would suggest to the minister that the charge is based on the law of contract and therefore is subject to one reservation. No objection can be taken to the intent expressed in subsection 1. The charges levied under subsection 1 will apply to both Canadian and international or foreign aircraft. My reservation, however, relates to the value of the wording used in subsection 1, and it arises from the fact that parliament would not be imposing a specific charge for any services rendered, nor is there any maximum charge limit with regard to the provisions.

I am going to refer to the Chicago convention of 1944 to which Canada was a signatory and in which it was stated that when imposing charges against aircraft there cannot be discrimination between Canadian registered and foreign aircraft. I suggest to the minister that that discrimination exists here.

You will find in article 15 of that convention, page 37, the following wording in respect of the imposition of these charges:

> Any charges that may be imposed or permitted to be imposed by a contracting state—

And Canada is one.

> —for the use of such airports and air navigation facilities by the aircraft of any other contracting state shall not be higher . . .
>
> (b) as to aircraft engaged in scheduled international air services, than those that would be paid by its national aircraft engaged in similar international air services.

At the same time, under the Air Canada Act the Department of Transport is prohibited from charging Air Canada aircraft for such services at rates that are higher than those levied against competitive aircraft by the United States government. This statutory restrictive provision has existed since the inception of this particular statute in 1937, and was commented on in the recent report of the royal commission on government organization, the Glassco report, volume 3.

• (4:00 p.m.)

There is a further authoritative study of Air Canada which refers to the same restrictive provisions. It is entitled "The First Twenty-Five Years—A Study of Trans-Canada Air Lines", as it was known, by Mr. Ashley, published in 1963. At pages 5 and 6 of this study the author has summarized the main provisions of the Trans-Canada Air Lines Act by quoting extensively from the first annual report of Trans-Canada Air Lines. This point was dealt with in that report in exactly the same way and I want to quote what he said:

> The government is responsible for the operation and maintenance of emergency landing fields, lights and radio beams, and the furnishing of weather reports, without charge to the corporation; provided that when the revenues of the corporation in the opinion of the minister will permit, charges may be imposed such as are charged for other similar competing coast to coast services in North America.

Professor A. W. Currie, one of Canada's foremost authorities on the economics of transportation, wrote a very learned article entitled "Some Economic Aspects Of Air Transport" in 1941. He commented in that report about the same limiting factor, and these are his words:

> The government is to provide landing facilities, beam and meteorological services without charge until the revenues of the corporation permit a charge, not exceeding charges levied in the United States to be made . . . A perusal of the main features of the act indicates clearly that Trans-Canada is to be operated with constant reference to United States lines.

I take that quotation from the *Canadian Journal of Economics and Political Science*, 1941, No. 1, page 13, at line 20.

This limiting factor against the imposition of charges by the Department of Transport for services provided still exists in the Trans-Canada Air Lines Act. If the minister has followed this argument, the nub of the point is, therefore, that under subsection 1 of section 3A, as worded in Bill C-153, parliament has no control over whether the charges imposed by the Department of Transport are within the limitation as to amount required under the Trans-Canada Air Lines Act. This is an important point since it is generally considered that to date the scale of charges imposed by the United States government for similar services is quite low.

Subject to this one reservation relating to subsection (1), the objections of the international air lines, as I understand them, concern the wording of what is now subsection (2) of section 1. It is submitted that this subsection in its present form is far too wide and far too arbitary in character.

I will now relate the particular objections to subsection (2). The criterion, and here is where I differ with the minister, with respect to the use of the word "availability" in this legislation has been established that the basis in law for these charges is the availability of a government service. It is submitted that this is much too vague and is therefore wrong in principle. This is all the more so since this