I join with millions of Canadians in congratulating the Tragically Hip on its success and wish it further great singing in the future.

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WORLD ROWING CHAMPIONSHIPS

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I am pleased to congratulate the St. Catharines—Niagara Class A World Rowing Committee on its bid for the world rowing championships.

Rowing Canada has endorsed the committee's bid and will be putting the St. Catharines—Niagara bid forward on behalf of Canada in Finland later this year.

In 1970 St. Catharines hosted world rowing. We know we can do it again. We are pulling together to bring the world back to Niagara. We have the facilities, the expertise and the experience to make the 1999 World Rowing International Championships a great success.

ORAL QUESTION PERIOD

[Translation]

AIR TRANSPORTATION

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, on March 10, the Minister of Transport announced that his government was granting the coveted Hong Kong route to Air Canada. This weekend, however, we learned that the minister had done an about-face and refused without any justification to allow Air Canada to fly to Hong Kong before late December 1995.

How can the Minister of Transport explain his government's decision to delay until late December 1995 Air Canada's access to the Hong Kong market, when this airline was all set to begin service to Hong Kong right away?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the second designation policy which we announced is not limited to Air Canada and Hong Kong. The predetermined passenger volume levels setting off the process also apply to Germany, for instance.

All these decisions were made after a long period of reflection and extensive negotiations, and we feel that it is in everyone's interest to ensure total openness in granting landing rights.

I must say to the hon. Leader of the Opposition that I really appreciate the way Air Canada President Hollis Harris reacted by saying that he appreciated the work done by the Government of Canada with regard not only to the Hong Kong matter but also to the bilateral agreement with the U.S., and especially to Air

Oral Questions

Canada being given access to the Japanese market. That is something he had been seeking for many years.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, how could the President of Air Canada afford to offend the route granting minister who is holding his company's future in his hands? The employees themselves are not so happy.

During his March 10 announcement, the minister bragged about his balanced distribution giving Air Canada a route to Hong Kong and Canadian access to several countries in Asia, not to mention the vast majority of available flights to New York and Chicago.

In this context, does the minister admit that it is unfair to delay the launch of the Hong Kong service until December, when the decisions benefiting Canadian take effect right away?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, first of all, I know that the hon. Leader of the Opposition is very interested in this matter. I share his interest since we have been working on this without respite since we came to office. These are extremely complex situations that have existed for a very long time.

I wish to repeat once again that, when the announcement was made, it was not only a matter of granting landing rights in Hong Kong. It is not necessarily true that only the Hong Kong decision was delayed. All decisions based on national landing levels are at stake and that includes Canadian Airlines International's right to land in Germany.

• (1420)

The management of both airlines, including both presidents, Mr. Harris and Mr. Jenkins, reacted to all our air transport policy announcements by saying that they were very satisfied with the work done by the government, the negotiators and all those involved. The work was extremely difficult and very complex.

At the end of this year, both air carriers will have the opportunity to compete in all markets around the world, a first in Canadian air transport history.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if it was so obvious that the decision would not take effect immediately, how come Air Canada had already taken all necessary steps to start flying to Hong Kong, spending money and getting ready to begin service right away?

Can the minister tell us if it is true that the decision to delay Air Canada's landing rights was imposed by the Prime Minister and that this delay prevented the immediate creation of 500 jobs in Montreal?

[English]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I assure the hon. Leader of the Opposition that the decision was not imposed by the Prime Minister. It was the result of a great deal of work.