

*Supply—Mines and Technical Surveys*

The minister answered as follows:

The answer to part 3 is that an economic assessment of the applicable air transport board rates and associated costs made by my department indicates that the services of Autair would result in the lowest over-all cost to the government of Canada.

That is not a statement that they were the lowest. It simply says that an examination indicates that the services of Autair in the result would be the lowest. It seems to me that is not the manner in which to award contracts. Rather it should be done on the basis of open, public tenders with the contract being awarded to the lowest tenderer. In this case the contract did not go to the lowest tenderer because Autair was given the opportunity to submit a lower tariff rate after all the applicants had submitted their tariff rates.

I submitted a third question on March 15, 1961, as found on page 3006 of *Hansard*. It reads as follows:

What equipment is required of a contractor to perform the helicopter services on both the continental polar shelf and the topographical survey?

This was the answer:

For 1961 operations we require the contractor to supply: 4 Sikorsky S-55 helicopters equipped with float landing gear; 1 Sikorsky S-55 helicopter equipped with wheel landing gear; 1 Bell 47 G2A helicopter equipped with skid and float landing gear.

In addition, the following are required on all aircraft: (a) H.F. radio transceiver (b) V.H.F. radio transceiver (c) radio compass (d) gyro compass (e) cabin heater (f) engine heater and (g) engine and nose bubble covers and tie down equipment. Major and minor spare parts must also be readily available.

2. Autair Helicopter Services Ltd., report that on March 8, 1961, it had in its possession one Bell 47 G2A and four Sikorsky S-55 helicopters, and arrangements have been made for the fifth Sikorsky S-55. The necessary items of equipment required by the department are also reported to be available.

That information is false. That information was not true. That information is inaccurate and the minister got around it by saying that Autair Helicopter Service reported they had the following equipment. They did not have the following equipment, and that is well known to the trade. Whether or not they have it now, I doubt very much. I do know one thing, that one of the main things required of the person obtaining the contract for the polar shelf job was that the Bell 47 G2A helicopter should be equipped with a skid and float landing gear. Autair did not have it. I am mistaken, Autair had it but it did not belong to them. Autair borrowed it from one of the members of the trade and refused to give it back. One of the members of the trade has had to sue Autair in the courts of the province of Ontario for the return of this equipment; that is a matter of public record.

[Mr. Chevrier.]

This company is not a reputable company and should not be in receipt of this contract.

I indicated last year, and I repeat now, that this company operated without a licence for several months in 1958. Furthermore, this company had its insurance cancelled twice by a reputable insurance company and is not a reliable helicopter operator. More than that, this company said it did not give a damn for the air transport board.

Last year when I brought up the question, the company refused to file a financial statement with the air transport board in accordance with the Aeronautics Act. The information I have now is that they still have not done so. In the far north, where it is extremely important that persons should be transported with safety, why is it not necessary and of prime importance that the requirements of the Aeronautics Act should be complied with? The information I have is that the requirements of the Aeronautics Act have not been complied with. Certainly, the requirements laid down by the minister in answer to the questions which I have put to him have not been complied with in so far as equipment is concerned.

I have a perfect right, therefore, to ask the government why this contract should not be reviewed and why it should not have gone to the person or corporation that submitted the lowest rate in the first instance.

**Mr. Fleming (Eglinton):** The fact is that the contract did go to the corporation that submitted the lowest tender. The hon. member has chosen to make a vitriolic attack, and he has chosen to make assertions here. Well, I suppose a member enjoying the privileges of this house can make assertions of that kind and reflect upon the integrity of a firm outside the house. However, Mr. Chairman, it is not a good way for parliamentary business to be transacted if hon. members get up and make assertions such as those which have been made tonight.

In the first place, there were three bidders for this work in 1960. The contract was awarded to the Autair company which was the lowest of the bidders. All of the bidders filed tariffs, so that the rates are known. So far as this year is concerned, there were five bidders and again, Mr. Chairman, their tariffs were filed. Again it was found that Autair was the lowest and the contract was awarded to Autair. In so far as any bidder being permitted to refile a tariff is concerned, all of the bidders were permitted to refile tariffs, so the treatment was equal in all cases.

So far as this company is concerned, it has fully discharged its obligations under the contract and has a satisfactory record of per-