

this matter at this time. As a result of the strike in the nickel industry in this country an almost disastrous shortage of Canadian nickel has been created in world markets. It may be that those employees who insisted on the privilege of striking may rue the day they started this strike, particularly if that market should be materially affected. Other sources for this nickel have been sought and other facilities have been developed. One of the companies involved was Falconbridge. That company took the unusual step to preserve its international market of using air freight to Norway where its ultimate refining facilities exist for its European market. It shipped sufficient ore concentrate through the use of 50 Boeing 707's. It might have used DC-8's. In any event air freighters of that capacity were used and we were told that the freight bill to Falconbridge amounted to \$1 million. Who got the contract in this regard? It was KLM which obtained the contract, a Dutch air line.

Some hon. Members: Shame, shame.

Mr. Lambert (Edmonton West): I give full credit to KLM. If they were awake and on the spot with sharpened pencils, more power to them. I should like to know what Canadian carriers did. Did they sit on their well known "whats"? Perhaps Canadian carriers do not have the aircraft required. They may have valid reasons for not competing, but we should like to hear them. We are being asked to give the Minister of Finance authority to make loans to meet the operating or potential operating deficit of Air Canada.

I am informed that Falconbridge circulated all Canadian carriers but that only one expressed any interest. There may be reasons for this. Perhaps some of the carriers do not have the freighters available or could not lease them. It seems to me they should come up with an answer as to why they could not lease aircraft. I know very well that last summer when we had a strike in Air Canada the CPR was able to lease aircraft from airlines across the border.

Many of our Canadian airlines enjoy good charter service in the summer during which time they make a profit. In the winter months they lease these aircraft to United States airlines which use them on charter service as they see fit. What happened to these aircraft during the winter months? Surely, these Canadian carriers felt it worth while to carry Canadian goods from a Canadian point to a Canadian market overseas. What was wrong with their pencils that they could not figure

Provision of Moneys to CNR and Air Canada out or negotiate the leasing of aircraft to carry this commodity? If this had given them a return of even 5 per cent they would have made a profit of \$50,000.

There might have been other advantages to other Canadian carriers carrying this commodity. They would have flown the Canadian flag, carrying Canadian goods to an international market. We now have a wide awake international company flying aircraft into Canada, picking up Canadian goods and delivering them to a Canadian refining facility in Norway serving a Canadian market. This fact raises many questions to which there must be some answers. There may have been legitimate reasons for this lack of initiative. If the answer is simply that a Canadian carrier quoted a rate that was higher than the rate quoted by KLM, or that they could not meet the rate quoted I should like to know why. If the Canadian carrier happens to be Air Canada I want to know much more.

My colleague the hon. member for Swift Current-Maple Creek (Mr. McIntosh) has drawn the attention of this House, not to a misleading discrepancy, but to a definite omission in the title of this bill. I am sure that 90 per cent of hon. members in this House, and perhaps even more, when they considered Bill C-7 thought it was a bill authorizing certain capital expenditures on the part of the Canadian National Railways and Air Canada. This measure goes much beyond that.

What do we do with a loss when a Crown corporation cannot make an operating profit? What we are doing actually is voting moneys for that Crown corporation, either in the form of direct grants or in some other way, to pick up its funded obligation. Because of the unsatisfactory explanation and the lack of information in this regard I intend to urge my colleagues to support the amendment proposed by the hon. member for Timiskaming (Mr. Peters). I invite hon. members opposite who have spoken in support of this bill to give concrete evidence that they were not merely paper tigers but that they meant what they said.

In so far as the CNR is concerned, and its application in respect of trains No. 5 and No. 6, I suggest they should withdraw these applications until they make a better presentation to the public. They should give better explanations to their employees and communities such as Edmonton, Saskatoon and Winnipeg, as well as the other communities in between which depend on the services of