

Air Canada

The Acting Speaker (Mr. Ethier): Order, please. It being one o'clock, I do now leave the chair until two o'clock p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Orlikow: Just before the lunch break I indicated the feeling of our party with regard to one of the major defects of this bill, and indeed every bill dealing with transportation brought in by this government. It attempts to—deal with one small phase of the total—transportation picture, in this case Air Canada.

As I indicated earlier today and on other occasions, all the evidence shows that we in Canada need to look at the total transportation picture. We must work out a comprehensive and coordinated transportation policy using all forms of transportation to their maximum efficiency in order to give the greatest social benefits and advantages to the people of Canada. This is why I am concerned about most of the amendments brought in by the hon. member for Vegreville on behalf of the official opposition. In committee I spoke out against one of the hon. member's amendments which the minister accepted. He revised the bill to include it. That is, that it should be written into the bill that Air Canada should have as one of its objectives the making of a profit.

Mr. Knowles (Winnipeg North Centre): Its main objective.

Mr. Orlikow: Its main objective should be to make a profit. I dealt with that aspect in committee. My colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), intends to deal with it as well. It is a great mistake. Air Canada is our national air carrier. It is owned by the people of Canada. It must continue to service areas in which it cannot possibly make a profit. I think of the maritime provinces which have a relatively low population, some of the short hauls in western Canada which, thanks to the minister, have not been permitted to develop, northern Ontario and the Arctic. If that policy is followed, it will have a tremendously detrimental effect.

Because I am not likely to be here for the whole of the debate, I wish to mention one item in particular. In today's *Montreal Gazette* there is a story headed "Travel firm plans \$209 B.C. return". This story indicates that yesterday the federal government opened the way for cheaper domestic air fares, possibly as low as \$209 for a return trip Montreal to Vancouver. It states that the cost of a ticket from Toronto or Montreal to Vancouver will be cut in half. Travel agents are enthused. It is a step in the right direction, but I urge the minister to give thought to the real problem. One reason we have a deficit in foreign exchange is as a result of Canadians travelling outside of Canada. During the winter months, Canadians want to visit such places as Hawaii, Florida, Great Britain, Spain, Portugal, and so on. There is not much we can do about the weather. Tens of thousands of people are now

[Mr. Orlikow.]

travelling from Vancouver, Winnipeg, Toronto and Montreal to other countries. They are travelling to other countries, not because the price of a ticket from Montreal or Toronto to Vancouver is so high, though that is partly the reason, but because if one takes a trip to Hawaii, London, Amsterdam, the coast of Portugal, or Miami, Florida, one is able not just to buy a cheaper air ticket for the flight but a package which includes air fare, hotel and meals. This is virtually impossible in Canada, and such packages certainly are not advertised.

● (1410)

I had my office call some hotels in Vancouver this morning, and this is what I was told. The rate for two in a double room at the Georgia Hotel is \$35 per night. At the Airport Hyatt it is \$35 to \$39 a night. At the Bayshore Inn it is \$47 to \$58 a night. At the Holiday Inn downtown it is \$35 a night. I am not being critical of the hotels in Vancouver; if the people of Vancouver travel to Toronto or Ottawa they will pay even more. My wife came to Ottawa a couple of months ago. The Chateau was full, so she stayed at the Four Seasons, and speaking from memory it cost her somewhere between \$45 to \$50 single for one night. This is no way to encourage Canadians to travel in Canada, and neither does it encourage tourists to come to Canada from abroad.

If Air Canada really wants to expand its business, I suggest to the Minister of Transport that it not only offer charter fares but that it negotiate with major hotels in Canada in regard to reducing their rates at least for charter or group travellers. Then people in eastern Canada will be able to visit Calgary or Vancouver, and vice-versa, on a package tour basis which includes air travel, hotel accommodation and, hopefully, meals, similar to package tours to Hawaii, Miami, London, Portugal or Spain.

I urge the minister to use the provisions of this bill, which provides in clause 6(1) as follows:

The corporation may, within and outside Canada, (a) establish and operate the business of an air carrier;

(b) buy, sell, lease, construct or otherwise acquire, dispose of and maintain and operate as necessary or incidental to the operation of the corporation's business, aircraft, hotels and other accommodation—

I am not saying that Air Canada should go into the hotel business; that may not be necessary. But I do think they should use the powers they have to help develop the kind of travel in Canada which would, if successful, as I am sure it would be, save a great deal of foreign exchange which now escapes this country with so many people travelling outside Canada. Secondly, and more importantly, it would help people in one part of Canada to get to know people in another part. I urge the minister to do some of these things I have suggested and to make this legislation worth while and meaningful.

Mr. Arnold Malone (Battle River): Mr. Speaker, I want to take part in this debate because motions Nos. 1 and 2 which we are debating at the moment have as their intent the placing of limits on the growth of Crown corporations, causing them, in effect, to restrict their input into Canadian society. In recent years there has been growth in excess of 1,000 Crown corpora-