

Air Canada

for Moncton (Mr. Jones) and those in Thunder Bay will lose a valuable service. It is of tremendous importance to us.

If Air Canada is forced, coerced or persuaded to abandon chartered stops in cities like Thunder Bay, Sudbury, Sault Ste. Marie and Moncton, service into those areas will not be as it is today. The way this country is put together, you make your money on the long hauls and lose on the short hauls. It even out.

The minister or the MOT people say that we can sell some of the short haul trips of less than 500 miles to the local carriers and they will be able to carry on. Northern Manitoba is one area where Air Canada had to give up some service. I do not have the figures because it goes back a few years. What happens when that is done? The rates go up.

Far from being one who objects to local carriers, I must submit that there is no way the local carrier who does not have the long hauls or the profitable Winnipeg, Toronto or Montreal stops can make the kind of money required to carry the short hauls. I am very concerned about that aspect of the minister's speech.

This bill does something that disturbs me a great deal. It ignores service to the Canadian community in favour of good business practices and profit. No one in his right mind would be against good, sound business practices. No one would be against the company making a profit. No one is against Air Canada making a profit.

There were quite a number of arguments, and amendments to this bill in committee. Now as I go through the bill, I do not see anything which talks about service to Canadian communities.

This bill is intended to separate Air Canada from its parent, CN. I think that is a reasonable proposition. If it does just that and nothing more, I accept it. If it does not have a preamble and does not set the duties and so on of Air Canada, I accept it.

The difficulty I have with the Conservative amendment is that it introduces into the bill another concept which is not compensated by some notion of service. I dislike the amendment that the hon. member for Winnipeg North Centre (Mr. Knowles) has placed before us. It is too drastic. However, this bill was brought in rapidly. We did not get the notice we needed to put an amendment to correct this. It is too late to do this at report stage.

● (2012)

The amendment I would like to see would read something like this. I would leave in 7(1)(i) but I would change it. I did this in committee and it was not accepted in committee. This bothers me a great deal because the intentions of the minister in this respect are worrisome. I would amend the bill to read in section 7(1)(i):

In discharging its responsibilities under this act, the board, bearing in mind that service to Canadian communities shall be its prime responsibility, shall have due regard to business principles and particularly the contemplation of profit.

I would leave what is in there, but I would add that portion.

[Mr. McRae.]

I am very disturbed, Mr. Speaker. We are beginning to do this with CN. We are beginning to do the same with Air Canada. We say to these companies that their prime role is, in particular, to make profit, not to provide service. Nowhere in the whole act is there mention of service. Now, the charter of Air Canada may contain such reference, but instructions to a board should contain something specific. As I say, I have no objection to those things going into the act but the point of the matter is that profitability then becomes the sole purpose of Air Canada.

I have been sitting in the House for five years and I have never before voted against the government. A few times I have refrained from voting, and on other occasions have considered refraining. But on this occasion I feel compelled to accept the amendment even though I do not like it. I think the amendment is too drastic. But the point of the matter is that it is far more important that the amendment be accepted than that we have a bill which singles out profit as the only justification for Air Canada.

I would hope that somewhere along the line we could obtain the consent of the House to include my amendment. I will not pose it tonight, but at some stage it may be we can get consent to include my amendment which would put service first, followed by good business practice and profit in that order. If that were to be done, Mr. Speaker, I would find the bill entirely acceptable.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I would like to say a few words about the bill before us. I would first say that I disagree with the principle of the amendment put forward by the hon. member for Winnipeg North Centre (Mr. Knowles), but I would agree that Air Canada, at least in the beginning, provided at least an element of service to the country.

I think the description of Air Canada as some poor little airline beset by private enterprise and hardly making its way in the Canadian scene is not quite accurate. Air Canada carries something like 60 to 70 per cent of the total Canadian air traffic compared to its competitor, CP Air, and the five regionals. By no means is Air Canada a small company, and by no means is it struggling. It should be remembered that the private airlines pay quite a bit more than Air Canada in corporation and dividend taxes. Tariffs are set for all airlines on the same basis, and I cannot see in which way it could be any different.

It has been said that Air Canada is one of the great airlines of the world. Well, when you consider all the people who go abroad you find that they don't make much distinction as to what airline they use. Air travel, at least among the airlines of the developing world, of Western Europe, Japan and North America, fortunately seems to be safe. They all seem to enjoy approximately the same degree of safety and I suspect that, by and large, the services offered by all the airlines seem to be much the same. Much seems to depend upon an individual's own interpretation of service as to whether or not the journey was acceptable to him.