

Oral Questions

The minister will know that the bankruptcy of Odyssey International and Thompson Vacations has stranded thousands of Canadians in the Caribbean and southern U.S. The minister will also know that a loophole in the National Transportation Act allows charter companies created like Odyssey to operate without financial guarantees.

Will the minister tell the House that he will move as soon as possible to plug that loophole, so that Canadians can be protected when they are travelling abroad.

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I would like to thank the hon. member for this question. It allows me to reassure tourists that the tour operators emergency stand-by group, a committee of the Canadian Association of Tour Operators is working diligently to bring home those passengers who were affected by this bankruptcy.

I would also like to remind passengers who find themselves in a situation like this, first to make contact with their travel agencies and our embassy offices, who have been requested to provide any necessary consular assistance to affected passengers.

I am informed that all passengers are on the way home.

I would also like to inform the hon. member that this is not a loophole in the law. It is an exemption that was granted to charters operated by carriers that have a scheduled licence because they were considered to have the financial capabilities. The National Transportation Agency has been reviewing its regulations, with a view to determining whether to revoke the exemption and require all charters to be protected by advance payments. We expect their decision to be reached within the next few weeks.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, a supplementary to the Minister of State. I remind the minister that that exemption was designed at a time when the airline industry was extremely stable and was not designed for a deregulated period which allows for all sorts of new companies to pop up overnight to serve scheduled situations.

Given the possibility that the provincial travel industry funds, either in Ontario, B.C., or elsewhere where they exist, will not be sufficient to totally compensate those

passengers who have suffered a financial loss because of this bankruptcy, and given the fact that it is a federal exemption that has allowed this situation to occur, will the government give consideration to assisting those travel funds in meeting 100 per cent of the draw created by this bankruptcy?

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I would like to answer the hon. member by saying that deregulation has in fact created an environment in which airline companies are competing in the best interests of the Canadian public.

As far as all his doom and gloom possibilities are concerned, I would like to tell him that as a responsible government, we will cross the bridge when we get to the river.

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, my question is for the Acting Minister of Transport along the same line of questioning. I have been discussing this situation with people in the business. Organizations representing travel agents and tour operators informed the government months ago of a serious problem in Transport Canada regulations pertaining to chartered airlines, a problem which is directly related to the stranding of 7,000 Canadians this past weekend.

Considering there were four bankruptcies in past months—they were bonded, I agree—can the minister explain why he did not take action when he was told about the problem months ago and we saw what happened this past weekend?

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I am glad that the hon. member has stated that in most of the cases that happened recently the tour operators were in fact bonded as required by the regulations.

As far as looking at the whole situation, I have just told the previous member that the National Transportation Agency has been reviewing the regulations, with a view to examining the possibility and the necessity of requiring all charters to be protected and their decision is expected within the next few weeks.

[Translation]

Mr. Mark Assad (Gatineau—La Lièvre): I wish to ask a supplementary question, Mr. Speaker. I accept the minister's answer, but he was notified.