

Supply—Mines and Technical Surveys

Now, the Autair Company did an excellent job last year. We had a good report on its efficiency.

Consequently, we had no reason to ignore it this spring, and to dismiss its quotation.

The hon. member is free to think whatever he wants but that is the procedure we followed and we acted honestly.

We took the department's interests by making as much savings as possible and we hope that this year's results will be up to our expectations.

(Text):

Mr. Pickersgill: Mr. Chairman, I must say that I do not find the minister's explanation very convincing. After all, I do recall that some years ago when I was a member of the government there was a question of two companies seeking to get the business of the Department of Fisheries. It was drawn to the attention of the department—I remember this very well—at the time that there was this 1949 directive that a certain tariff must be established and must be adhered to. There was no difference in the cost as between selecting one company or the other as far as the Department of Fisheries was concerned, because the air transport board insisted that they should both charge the same tariff.

Therefore I cannot understand the explanation the minister gives at all, that they can file their tariff a little later than somebody else, file a different tariff. The only argument for having this system of filing tariffs—and it is a very powerful one—instead of having tenders is that we do not encourage people to bid below the cost or below the cost plus a reasonable profit for what they can do, and thereby neglect safety and other factors of that sort and bring chaos into the air industry. That is the only argument for having this regulatory system, which was the system that existed when there was a Liberal government.

The minister now says they file different tariffs, that the tariffs are not the same. What is the difference between that and asking for tenders? If the tariffs are different, you should ask for tenders and they should all be submitted on the same day, in sealed envelopes, so that one company does not know what the other is doing. If the tariffs are going to be established at a uniform rate, the question of service or something of that sort would be decisive. But the minister seems to suggest that different companies can submit different tariffs at the same times; that one can submit it first and the other can then find out, in some clandestine way, what the other has submitted and then submit a slightly lower one. That is having the worst of both possible worlds.

[Mr. Comtois.]

I suggest you should either have the system which existed in 1954 which the minister described, where the rates are fixed and where all you decide is which company can perform the service best for a fixed price, or the system of calling for tenders. But this sort of mixed up system the minister has described does not seem to me to make any sense at all.

(Translation):

Mr. Comtois: Mr. Chairman, I think the hon. member does not yet understand.

Mr. Pickersgill: That is obvious.

Mr. Comtois: Yes, it is obvious.

Mr. Pickersgill: Yes, it is obvious that I do not understand.

Mr. Comtois: I am at a loss to explain the situation to the hon. member, and to make him realize that the rates submitted to the air transport board are not all the same.

There is a date set by the board for the filing of rates. Firms may file rates, but they need not do so on a particular date. The submissions need not be received the same day. There is no set date or time as in the case of public tenders. The department informs them that rates will be accepted up to a certain date—I think that is the procedure—and that after that date, rates will not be accepted, and the companies act accordingly.

The hon. member apparently believes the air transport board sets one single tariff for all the Sikorskys, for all the Bell 47-G2's, for all the Cessnas and for any other type of aircraft. That is not the procedure followed by the board.

If the hon. member wants further information, he may, when the estimates of the Department of Transport come up, ask for and obtain all the information he wants. I do not have that information available, and it is outside my jurisdiction.

Furthermore, it is not for me to discuss the procedure followed by the air transport board. We receive the scale of charges as submitted and we proceed as I have just explained, after consulting with the air transport board.

Perhaps Autair did not have all the required aircraft. It often happens that companies quote prices or submit tenders when they do not at the time have all the required aircraft. However, exchanges can be made; one company borrows from another. Such exchanges are quite common.