

the field of civil aviation care has been taken to avoid duplication of administrative machinery. The board is a small body staffed only to carry out its regulatory functions and to analyse and advise on civil aviation problems with special responsibilities in respect of the economic aspects of commercial air services. Close cooperation and frequent consultation is necessary between the officers of the board and those of the Department of Transport, air services branch, who are responsible for technical standards, safety regulations and many other matters of a technical nature.

Since the Department of Transport has an extensive regional and field service in connection with its varied responsibilities, the air transport board has not found it necessary to retain its own regional or field offices, but relies for such assistance as it requires on its close cooperation with that department. Similarly many mutual problems have been studied together by the board and the department alone or together with other government departments or agencies. In this way it is assured that the decisions which must be made in respect of air services, airports and related services will be made after full and effective consideration.

The proposed amendments are chiefly of a formal nature and most of them are considered to be necessary in the light of the board's experience during the past year. They require little explanation, but I would like to say that I consider the new definition of "commercial air service" as particularly important because the act in its present form does not cover all forms of commercial air activities. It seems obvious that the board should have power to control all such activities to whatever extent may be necessary in the public interest, and the amendment is designed to provide for this.

Section 4 is intended for the purpose of authorizing the board to relax its regulations or orders in cases, for example, where the operations of the carrier are of a limited extent or subject to unusual conditions.

The only other provision to which I wish to refer is section 6. In this regard I would point out that the subject of free and reduced-rate transportation is now dealt with under the regulations. This subject is of such importance that it is proposed to include it in the act. I would have liked to be able to give a detailed report on the activities of the air transport board during the past year; however, as time is limited I wish to assure hon. members that a tremendous amount of spade work has been done. Whereas our railway transportation system has been built up over a long

period of years, it is clear that at least the framework of the air transport system must be provided for in a matter of months. That the foundation of this system be soundly laid is of the utmost importance, and the air transport board has been and is working diligently toward this end. Hon. members will appreciate that the great handicap of stimulating bush flying or flying of a feeder line nature is the difficulty of obtaining suitable equipment. During the war years all the activity of aeroplane builders in Canada and in other countries was directed toward the building of aeroplanes for war. While aeroplanes of a war type are being made available for civilian work, none of them is suitable for commercial purposes. While they will do certain work, they are not of a type that can be considered money makers. Therefore the best the board can do at the moment is to accumulate information which will assist in building these feeder lines. To that end traffic studies have been made and the movement of population studied and tabulated in a form which can be readily available to those interested in undertaking a new operation.

Licences have been granted for a number of charter services. Those are a necessary adjunct to civil aviation at the present time, and charter services are being formed and centred on a number of our larger cities.

Mr. MacNICOL: What section would charter services come under?

Mr. HOWE: I cannot say. I think we shall come to it in the act. I may say there is no amendment relating to charter services, but when we get into committee, I shall be glad to refer the hon. member to the chapter.

Hearings are being held in connection with new mail routes. Licences will issue in due course, but here again the board is reluctant, and has been reluctant, to issue licences covering mail routes to applicants who obviously cannot furnish the type of equipment which is likely to make the route profitable.

I shall be glad to answer any other questions that my hon. friend has to ask in committee.

Motion agreed to; bill read the second time and the house went into committee thereon, Mr. Macdonald (Brantford City) in the chair.

On section 1—Commercial air service.

Mr. MacNICOL: I should like to ask the minister a question which is based on the words "commercial air service". I have had quite a number of letters in the last few days from Yellowknife. Doubtless the minister has had similar letters.

Mr. HOWE: **Yes.**