

The Board is responsible for the economic regulation of commercial air services in Canada and is also required to advise the Minister of Transport in the exercise of his duties and powers in all matters relating to civil aviation. The regulatory function relates to Canadian air services within Canada and abroad and to foreign air services operating into and out of Canada. It involves the licensing of all such services and the subsequent regulation of the licensees in respect of their economic operation and the provision of service to the public. As provided by the Act, the Board issues Regulations, approved by the Governor in Council, dealing with the classification of air carriers and commercial air services, applications for licences to operate commercial air services, accounts, records and reports, ownership, transfers, consolidations, mergers and leases of commercial air services, traffic tolls and tariffs, and other related matters. Detailed regulatory instructions are issued by the Board in the form of General Orders and Rules relating to all air services or groups of air services; Board Orders relating to individual air services; and Circulars for general guidance and information. The Board continues to work toward the consolidation of its over-all regulations and the procedures governing applications for licence are being examined for improved processing methods.

The Board takes an active part in the work of the International Civil Aviation Organization and, when appropriate, undertakes bilateral negotiations for the exchange of traffic rights. At present, Air Canada, Canadian Pacific Airlines Limited and TransAir Limited are Canada's designated international scheduled carriers although the latter does not operate as such.

The Canadian Maritime Commission.—The Canadian Maritime Commission was established by Act of Parliament in 1947 (RSC 1952, c. 38) as a separate department of the Government reporting to Parliament through the Minister of Transport. It is the function of the Commission to "consider and recommend to the Minister from time to time such policies and measures as it considers necessary for the operation, maintenance, manning and development of a merchant marine and a ship-building and ship-repairing industry commensurate with Canadian maritime needs". The Commission is authorized to examine into, ascertain and keep records of all phases of ship operation and to "administer, in accordance with regulations of the Governor in Council, any steamship subventions voted by Parliament".

The Commission administers the Ship Construction Assistance Regulations enacted by Order in Council PC 1961-1290 of Sept. 8, 1961, as amended. The Regulations authorize the payment of direct subsidies for the construction of commercial ships and fishing vessels in Canadian shipyards. The Commission also administers the Canadian Vessel Construction Assistance Act (RSC 1952, c. 43) which allows shipowners to benefit from accelerated depreciation and, under given circumstances, from tax relief.

Subsidies are paid by the Federal Government for the maintenance of essential steamship services; the services and the amounts paid for the years ended Mar. 31, 1964 and 1965 are given on pp. 808-809.

The National Energy Board.—The National Energy Act (SC 1959, c. 46) proclaimed Nov. 1, 1959, provided for the establishment of a five-member Board charged with the duty of assuring the best use of energy resources in Canada. In the performance of this function, the Board is responsible for the regulation of the construction and operation of the oil and gas pipelines that are under the jurisdiction of the Parliament of Canada, the tolls charged for transmission by oil and gas pipeline, the export and import of gas and the export of electric power, and the construction of the lines over which such power is transmitted. The functions and operations of the Board are covered in the Domestic Trade and Prices Chapter of this volume, Part II, Section 4.