

*The Address—Mr. Drew*

the headquarters of the national film board from Ottawa. Surely things of this kind do require some explanation.

If the government does accept the recommendations of the Massey commission in regard to the advisability of bringing cultural activities together in the capital as much as possible, and if it recognizes the importance of films in defence instruction and other aspects of national defence work, then it does seem highly desirable that this whole subject be reconsidered. We do not know whether this new building will cost \$5 million, \$10 million or \$15 million. We do know that in the past original estimates have been only a fraction of the ultimate cost. We know little or nothing of what the policy of the government is and what the scope of the activities of the film board is likely to be. I hope that the Prime Minister will agree to refer this to a committee so that the whole matter may be fully examined. This is not just a question of the availability of certain talent or the suitability of a certain location for technical purposes. It involves general policies, of the location of activities which have some relation to the cultural development of this country, and it also has a good deal more to do with national defence than has been discussed at any length in this chamber, so far as I know.

Now I come to a subject which raises issues as important as any which have come before parliament for a long time. If, because of my congratulatory remarks at the beginning, which were most sincerely expressed, any hon. members have any illusions that we do not intend to occupy our role as an opposition in dealing with subjects that present themselves to this house, what I am about to say will undoubtedly remove that impression.

Within the last few days the government has established a policy which has consequences reaching far beyond the particular subject with which its decisions dealt. Three weeks ago the Prime Minister clearly stated the policy of his government, and therefore of his party, in connection with activities where there is already a government agency operating. His words apply with equal force to every other operation where the government has entered some field of enterprise in which private enterprise is also engaged.

In dealing with the application of the Canadian Pacific Air Lines for permission to operate an air cargo service from Montreal to Vancouver, the Prime Minister explained that in reaching a decision in regard to such

an application the principle guiding the government would be:

Whether or not from now on the public can best be served by two competing lines, not just for a short period, but indefinitely.

The Prime Minister went on to say, and again I quote:

And, secondly, our decision will be based on what will be best for the industry itself.

That was a statement as to the policy upon which the government was going to deal with an application then before it; and I emphasize the fact again that the application was one that involved a principle which would relate to an application associated with any activity in which the government might also be engaged.

I wish to repeat and to emphasize that I am dealing with this on the basis of the principle stated by the Prime Minister, which applies with equal force to every other government operation where private interests are also engaged. It is interesting to find that in explaining the reason for refusing the application in this particular case the government came to conclusions directly contrary to those reached by the air transport board upon the basis of the evidence submitted to them. The board had found that we have fallen behind in Canada in air cargo service. It found that there was a demand for extended service now. What was more important, however, was that it pointed out that it was impossible to tell how far the use of such service might be expanded by competitive efforts to seek new business.

The Prime Minister has been careful to say that the government does not intend to support a monopoly, but whatever has been said it is in fact supporting a monopoly and we have evidence before us that this is not only for today but for tomorrow as well.

One of the most interesting incidents in connection with this application was the fact that while the decision was still pending the president of Trans-Canada Air Lines made a speech in Vancouver explaining why such an application should not be granted. In explaining the government's attitude and what the result of granting the application would be, he used the significant words: "The government is under no illusions" that the granting of this licence would not mean a subsequent effort to get into competitive passenger transport.

Many Canadians might ask, "What would be so terrible about that?" We have reason for pride, and great pride, in the standards of service and the safety record of Trans-Canada Air Lines. For that record the president and everyone working with Trans-Canada Air Lines all deserve our commenda-