

happened in 13 years. Even more sophisticated approaches have been taken to develop the North, to maximize its potential, while at the same time considering the needs of the people in the Arctic and the environment and bearing in mind the costs of Arctic development.

To underline the increased emphasis on the need for discussion of Arctic air transportation issues, the Northern Air Transport Association, as you may be aware, held its fifth annual Conference in March of 1982, also in Whitehorse. Papers presented at that seminar addressed such issues as cost of risk for air carriers, management of capital and human resources and economic survival in support of the theme "Management Challenges facing North of 60 Operators in the 1980s." What we are facing also is a management challenge. How are we going to make the most of our investment in time and resources in developing the Arctic in a way that will benefit all concerned in a way that we can all survive and not just on the balance sheet?

We are making investments in the future of the North, the future of Canada. During the 1982 Conference, proposals were put forward on ways of meeting the challenge of the 1980s. Allow me, for a few minutes, to highlight some of the initiatives taken by Transport Canada to assist in developing the North since 1970 to meet what could be considered the challenge of the 1970s.

In October of 1972, responding to environmental concerns regarding potential pollution of the Arctic, the Hon. Don Jamieson announced the publication of new Arctic shipping pollution prevention regulations. These regulations were to be used in conjunction with the shipping safety control zones order, proclaimed in August of the same year, under which the waters of the Canadian Arctic were divided into safety control zones, classified according to the degree of ice hazards present. As the Hon. Member is aware, shipping is controlled by limiting the zones in which the vessel may operate based on prevailing ice conditions and the capabilities of the ship.

In 1975, the operational base for the annual re-supply service to the Keewatin communities on the west side of Hudson Bay was transferred from Montreal to Churchill. This decision would provide increased federal Government purchasing in the western provinces and an expanded role for Churchill as a gateway for northern shipping. In November of the same year, plans were announced to build the 28,000 ton bulk carrier, M.V. *Arctic*, a joint Government industry project. The ship, designed to operate in the high Arctic, was also to serve as a prototype for larger vessels to be engaged in the movement of gas and oil out of the Arctic. It was also intended to enable more accurate determination of the ice navigation regulations under the Arctic Waters Pollution Prevention Act. The M.V. *Arctic* has met these objectives. It has been a successful venture and an excellent example of industry and Government collaboration. To reinforce Transport Canada's support for developing the North, and to allay concerns regarding the application of "user pay", the Hon. Otto Lang, the then Minister, stated in October, 1976:

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The North need have no fear of assuming the full burden of transportation costs . . . user pay guidelines would only apply to areas of the country with enough volume in travel and shipping to justify cost recovery.

The costs of opening up and developing the North would be shared by all. The Minister emphasized the importance the North had in Transport Canada's plans to develop an integrated transportation network for the entire country. That same year, subsidies in the amount of \$743,000 were provided for the re-supply service in the Keewatin district.

As part of the Urban Transportation Assistance Program, Transport Canada contributed over \$442,000 to the total purchase price of \$532,379 for buses and mini buses, to be used in Whitehorse, Hay River and Frobisher Bay.

To ease the high cost of air transportation in the Arctic, in April, 1982, the Minister of Transport (Mr. Pepin) announced that the imposition of landing and other fees at small Arctic airports will be deferred again until March, 1983. More recently, as a matter of fact, in May, June and September of 1982, Transport Canada announced airport improvement and equipment purchases to the tune of almost \$3 million for Eskimo Point and Hall Beach, Northwest Territories, and Whitehorse. On the subject of the Whitehorse airport, I am pleased to say everything is on schedule. Preliminary design of the air terminal building was completed in August, 1982. A request for funding approval will be submitted to Treasury Board shortly.

Fortunately, Mr. Speaker, I could continue citing Transport Canada's past contributions to the Arctic, but I will end the list here. What is of greater significance is what we are doing now, what our future plans are to meet the challenge of the 1980s. As you may be aware, one of the objectives of Transport Canada is "to foster an environment which supports the efficient development, provision and operation of all elements of the national transportation system.

Pursuit of this objective is evidenced by Transport Canada's contributions to assist in the establishment or otherwise provide for improvements of transportation facilities, including subsidies and the funding of studies by private consultants, etc.

Other very significant objectives, Mr. Speaker, concern themselves with efficiency and effectiveness and, of course, safety. We are all too well aware of the hazards to all modes of transportation in the Arctic. Transport Canada, of course, will continue to place a high priority on safety and search and rescue.

One other very important objective, which may not be so obvious but is inherent in the role of Transport Canada, is to support the achievement of the objectives of the federal Government that relate to national, regional and urban social and economic development, and to industrial, environmental and energy policies.

Transport Canada, therefore, is not only in the business of transportation. Every move we make takes into consideration all these other factors and more. For example, Mr. Speaker, plans are being developed to overcome low water levels at one location on the Mackenzie River where some dredging appears