

view to issuing a commemorative stamp on this occasion, and if in fact he intends to do so?

Hon. J. Gilles Lamontagne (Postmaster General): Mr. Speaker, I must say that many representations have been made to me to that effect. I had some from both government and opposition members as well as from the general public. The matter has been referred to our philately experts and an answer will be forthcoming shortly on the opportunity to issue a stamp for the Lion's Club thereby setting a precedent in relation to that category of association.

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[English]

TOURISM

PROPOSED INCREASES IN COST OF AIR TRAVEL—EFFECT ON TOURIST INDUSTRY

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce. In terms of our lagging tourist industry, how can the minister justify a proposed increase of 5 per cent on domestic air fares, an increase in landing fees and an increase in airport taxes which, combined, will make Canada a very, very expensive place in which to travel? How can this be justified at a time when our tourist deficit for the first two quarters of 1978 is in the neighbourhood of \$1.35 billion, and if projected to the end of 1978, the deficit will be over \$2 billion?

Hon. Jack H. Horner (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not as pessimistic as the hon. member. I have looked at the third quarter figures and there is substantial improvement in our deficit in tourism.

Leaving that aside, I also think it is true that we have taken great strides to make more charter flights available to Canadians travelling within Canada, which automatically lowers the cost to Canadian tourists travelling within Canada. Also, I should add that I well recognize the fact that most tourists coming into Canada come from the United States and most of these American tourists come by way of an automobile, not an aeroplane.

Mr. Murta: Mr. Speaker, in conversations with travel industry executives, they state that the implementation of the proposed new airport tax alone will hurt seriously our tourism industry in Canada. Is the minister in favour of the proposed increases that the Minister of Transport seems bound and determined to implement?

Mr. Horner: Mr. Speaker, I am not necessarily in favour of all costs. I do not like to pay any more than the next person for a service which I require or want the government to provide for me. I am not going out and asking the government to provide a bunch of costs for me to pay as a tourist. But I recognize that I, as a tourist, can afford to pay the costs which I incur as a traveller.

Oral Questions

Some hon. Members: Oh, oh!

Mr. Horner: I reiterate that most of the tourists coming into Canada come from the United States, and by far and large most of them come by automobile, not by aeroplane.

Some hon. Members: Hear, hear!

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● (1427)

AIR TRANSPORT

AIRPORT TAX—EFFECT ON TOURIST INDUSTRY

Mr. Don Mazankowski (Vegreville): My supplementary question is to the Minister of Transport. Canada's airport tax of \$8 per person is already one of the highest in the world. The sector task force report on tourism stated:

The airport user-pay policy makes air transportation in Canada non-competitive with that of the United States, and is detrimental to Canadian tourism development.

Would the Minister of Transport indicate to the House, if he is in a position to do so, whether the airport head tax will be increased to \$13 as part of the generation of the additional \$72 million included in the government's restraint program?

Hon. Otto E. Lang (Minister of Transport and Minister of Justice): Mr. Speaker, at this point I cannot add anything to the comments which have been made previously in the House on the subject. As far as the question of costs is concerned, particularly those being borne by travellers rather than by taxpayers not travelling, I think that the hon. Minister of Industry, Trade and Commerce put the matter very well.

Mr. Mazankowski: Mr. Speaker, it is the intention of the government to increase airport landing fees by some 30 per cent to 40 per cent over an eight-year period. This would result in these fees being increased by six times their present level, which would raise the cost of landing a 747 up to \$1,800, compared to roughly \$400 for an airport such as the one in Chicago in the United States.

Would the minister explain to the House the differential between these two costs, and is he not concerned about the negative impact this will have upon domestic air travel and, indeed, the tourist industry? Or is this simply the price the air traveller must pay for the ministers grandiose schemes in terms of the Taj Mahals that have been erected in this country in place of airports?

Mr. Lang: Mr. Speaker, first of all, the United States is also reviewing its policy of subsidizing air travellers by not charging fully the costs of the system. We are awaiting their judgments in that regard.

I can assure the hon. member that, although there may be increases in charges over the year, at no time will the charges be higher than the actual costs of providing the facilities and conveniences to the traveller. Not only that, I can assure the hon. member that this very system of making realistic the fact