

Oral Questions

indicated to the hon. member before, since about 1976 those procedures have been changed.

● (1417)

Mr. Murta: My final supplementary is this: in the 1977-78 fiscal year, operating losses at Mirabel international airport totalled some \$51.5 million. The Auditor General has also drawn attention to losses and cost overruns affecting other airports in Canada.

Is the Canadian consumer being called upon to pay the bills for sloppy management within the hon. gentleman's department, admittedly over the past few years, in the form of escalating airport taxes and higher landing fees? Is this the price the Canadian taxpayers and travellers are having to pay?

Mr. Lang: No, Mr. Speaker, it is not. Of course, the so-called loss at Mirabel is largely made up of such things as interest carried forward on the investment. In the old days, this used to be disregarded. Once the people of Canada, through parliament, had appropriated an amount of money to build an airport, no account was taken of the fact that it should be viewed as an ongoing cost in terms of the investment and that, therefore, an interest charge be made and depreciation shown.

We now carry these interest charges forward and show depreciation. This, therefore, shows up as a loss with regard to the Mirabel operation. In the long run, I have no doubt that the facility at Mirabel will prove to have been extremely necessary to accommodate the growth of traffic which will occur there. There is, of course, always a difficulty attached to a two-airport situation in moving traffic from Dorval to Mirabel. We have experienced it, and it came at the same time as a downturn in the expected growth in air travel.

Airport use is now surging forward again and in our many efforts, including the effort to avoid overloading Toronto, we are going to need a major facility at Mirabel to handle the load. I have no doubt that, looking back five or ten years from now, it will be seen it was very desirable to build a facility there.

INQUIRY WHETHER ROYAL COMMISSION WILL STUDY
DEPARTMENTAL ACTIVITIES

Mr. John C. Crosbie (St. John's West): My question is directed to the Minister of Transport, Mr. Speaker, and I would like to remind him that in the long run, as Keynes said, "We are all dead". He is taking a very sanguine attitude toward these losses.

The hon. gentleman has been Minister of Transport since 1975, but he is blaming these misdeeds on previous ministers, such as his seatmate and the gentleman who is in the Senate. For the first time in Canadian history, officials of the department have blamed ministers for what went wrong. I refer to page 539 of the Auditor General's report, where the deputy minister in the minister's department said:

The early commitments made by ministers based on circumstances extraneous to the department were particularly significant in the decisions on the timing,

[Mr. Lang.]

size and scope of these projects. The strength of these early commitments made it difficult to contain projects at later stages.

In view of these comments of his department, is the minister going to demand a royal commission to clear his name, if it can be cleared by an inquiry, or is he going to resign?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I think the hon. member has missed the point of the Auditor General's comments vis-à-vis those of the officials in the Department of Transport. I think what the Auditor General is referring to there is the fact that it is not just economic considerations or practical bureaucratic considerations which are taken into account in many of our developments in the area. When we expand facilities at Gander it may not be totally on a cost-benefit basis.

When we proceed with an airport or terminal building at Wabush or at Charlo, to use two examples in the Atlantic region, it is not necessarily done on a cost-benefit basis which is supported by the bureaucracy. When we go to an airport at Charlottetown that is meant to reflect the desires of that province to have a tourist-attracting facility, it is not on an economic basis supported by bureaucrats. I continue to support the right and wisdom of ministers making judgments on the basis of social needs as well as economic needs, and I am glad to stand here and say so on behalf of my predecessors and myself.

● (1422)

Mr. Crosbie: Mr. Speaker, this is a wonderful spectacle; the minister wants to spend money for a change. I was not referring to the Auditor General's comments; I was referring to the Department of Transport's comments made with reference to four projects where \$200 million were spent that should not have been spent. The four projects were the airports at Calgary and Toronto, the Training Institute at Cornwall, and the Motor Vehicle Test Centre. The minister's officials said that it was "the impact of the political process, our ministers, who caused these transgressions, these overruns."

In view of these statements from his department's officials, will the minister ask for an inquiry, will he request the resignation of these people, or what action will he take? This matter is on the public record. Could the so-called minister advise us what he is going to do about it?

Mr. Lang: Mr. Speaker, it was my impression that not only did I note that it was officials in Transport who made the comments, but I referred to that fact in my answer. It is also my impression that I fully answered the hon. member and told him why it is that sometimes, on a non-economic basis, a minister will make decisions and recommend situations to government on the basis of what is good for a province, region or development not necessarily justified on economics alone. I said that and I said it very fully.

Mr. Crosbie: Mr. Speaker, in a final plea to the minister, we all know that politics have some connection with such questions. Nobody is quarrelling with the site of these projects or whether or not the projects had to go ahead. We are quarrell-