

ple, on March 2 the Minister said that Canadians could save the \$300 million a year on air travel costs and a less regulated system. When asked him in committee to substantiate those figures, but the Minister could not do so. He said it was just an estimate. He then went through the exercise of setting up three different processes. He has the CTC examining the issue; he has a task force composed of bureaucrats and members of the industry; and then he has his own little group within his own office. They are the ones who are going to make the decision. Why is the Minister doing this? It is part of his political mentality and it is part of his penchant for deception. His mind will be made up within his own office, and the rest of it is really just window dressing.

The *Financial Post* really put this thing into perspective in an editorial on March 10, 1984, which reads:

Trailed by a gaggle of high-priced legal talent hired to represent their air carriers, government departments and other interest groups, the Air Transport Committee of the Canadian Transport Committee is on a month-long coast-to-coast tour to solicit public opinion on reducing the regulation of air fares within Canada. At the same time, federal Transport Minister Lloyd Axworthy has a group of bureaucrats working at breakneck pace to prepare new domestic air carrier policy proposals for cabinet consideration within a month.

Axworthy's pre-emptive push makes the travelling committee's work look like a particularly futile exercise. What can be achieved by having both groups operating concurrently? For instance, there's little point in the ATC allowing individual route fares to float at carrier prerogative between ceiling and a floor price, as the airlines proposed last month at the opening round of hearings in Ottawa, if only one or two airlines are allowed to fly any particular route.

It goes on to say:

The move to airline deregulation in Canada is an issue whose time has come. However, the mad rush now under way seems to owe its momentum more to the political attractiveness of cheaper air fares when an election is in the offing than any rational attempt to forge a long-term, workable policy.

That is precisely what is happening. There can be no question in my mind. My Party agrees that deregulation is inevitable. The debate is over the extent to which we are going to deregulate and the speed with which we are going to deregulate.

I remind the Minister that he has a responsibility and an obligation to enunciate that policy. He cannot expect the CTC to outline the policy. It is up to him to outline the policy and ensure that whatever regulations are left in place are fair and equitable and administered in this way. I do not believe, and my Party does not believe for one minute, that you can simply transplant or import the U.S. deregulation system. Yes, we can certainly learn from the American experience. But we must in this country tailor a deregulation policy to suit our own needs. We must recognize that we have quite a different structure in Canada. We have a different climate. We have a different economy. I am glad my friend across the way has flashed the booklet entitled "Domestic Air Policy". That is evidence of the very excellent work done by the parliamentary committee.

Some Hon. Members: Hear, hear!

Mr. Mazankowski: I would say in passing that this work would be the basis of a good starting point toward a planned, orderly and thoughtful deregulation process. There is no question about that.

Supply

Some Hon. Members: Hear, hear!

Mr. Mazankowski: We must recognize that this has to be done in a thoughtful and orderly fashion.

I see my time is up, Mr. Speaker. This morning I delivered a letter to the Minister in which I pointed out a number of areas I consider to be of major importance. Having regard to it, I plead with and urge the Minister not to opt for a simplistic political solution. I urge him to proceed in a planned and orderly fashion and not simply on the basis of what is best politically for him. The quick fix, in my view, would clearly discredit the necessity for a more efficient and less regulated system.

There is no doubt that this issue is very complicated. It certainly involves much more than simply deregulating the entry and exit of carriers or controls over fares. It really boils down to a matter of costs. What really is at issue here is that high fares are definitely the unwanted symptom, but the disease is high airline costs. Quite frankly, it boils down to a matter of costs in: the airport system including the taxes, the user fees, the landing costs, and the very structure of the Canadian industry that has emerged in a tightly regulated environment.

Let me remind the Minister that over the last 25 years we have developed an environment that was, under successive Liberal administrations, a tightly controlled and regulated environment. For him to come in as a knight in shining armour and dismantle everything without considering the matter in a thoughtful and workable way would not be doing a service to Canada. In one minute I will conclude. I plead with the Minister—

The Acting Speaker (Mr. Herbert): Order, please. I regret to advise the Hon. Member but his time has already expired. There follows a ten-minute period for questions and comments. The Hon. Member will have a chance to speak again. The Hon. Member for Assiniboia (Mr. Gustafson).

Mr. Gustafson: Mr. Speaker, I have a question for the Hon. Member for Vegreville (Mr. Mazankowski). It is really a question which producers and farmers are asking. Producers and farmers are facing increased freight rates. There now seems to be a clear indication that investment is being drawn back considerably toward improving freight lines. This has to be done. It is most important that producers get their grain to the international marketplace, given the fact that they are 1,500 miles from open water at many points. Does the Hon. Member think that what the Government has done has fairly considered the position of the producers with regard to freight rates and to what is happening?

● (1240)

Mr. Mazankowski: Mr. Speaker, that is a very good question. I see it drove the Minister of Transport out of the House with laughter. That just goes to show how much consideration or concern he has for western producers.