

Air Canada

tal investment, minus revenues in the form of airports which the public of Canada provides to all the airlines in this country. The total net income loss for CP Air and Air Canada is only 4.5 per cent of the less visible public assistance made in the form of airports and services.

I say that the concept of profitability which the minister has accepted in this bill, on the basis of an amendment moved last session by the Conservatives which the minister has also accepted, particularly if we do not talk at the same time about the need to provide service, is the beginning of a policy which will lead inevitably to poorer service and more difficulties for the people of Canada. Why should Air Canada be tied to the profitability clause, to reduce services or to raise fares when any operating losses are insignificant as compared to the much larger picture of the public's investment in Air Canada?

Based on statements made not just once but many times by the minister about the direction in which he and the department want to go, we feel that this bill—although we support the idea of splitting Air Canada off from the CNR—would move Air Canada and the service it provides to the people of Canada in the wrong direction.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker—

Mr. Ellis: Straighten out the socialists, please, Walter.

Mr. Dinsdale: That is impossible.

I think it is significant that most of the speakers who have taken part in this debate today are from western Canada, particularly the great plains region, and the hon. member from the government side who spoke tonight is from the Thunder Bay region. It goes without saying that a reliable and efficient public transportation system is absolutely essential to the economic, political, and social life of western Canada. Mr. W. P. Webb wrote on this subject some years ago in a book entitled "The Great Plains". He gave us a quotation which I think is quite apropos of many of the things which have been said here tonight, and I quote:

... far from markets, burned by drought, withered by hot winds, frozen by blizzards, eaten out by grasshoppers, exploited by eastern capitalists and cozened by politicians.

The western people have been able to survive because we have up until recent times had a reliable transportation system.

Some of my colleagues have been suggesting that I take issue with some of the statements made by the hon. member for Winnipeg North (Mr. Orlikow). They say I should take time in this important debate to correct some of the impressions which have come from those "socialist sources". I am not going to take the time tonight other than to support what the hon. member for Winnipeg South Centre (Mr. McKenzie) has been saying as he has been attempting to straighten out the record with regard to the statements which have been made about him.

I think this is an opportune occasion to point out that the transportation system has been going steadily down hill in recent times in western Manitoba and eastern Saskatchewan. I

[Mr. Orlikow.]

specify those two areas because they are areas of immediate concern from the standpoint of my political responsibilities in the constituency I represent. There has been a continuing deterioration which is reflected in an economic slowdown, and I want to take this opportunity tonight to bring a few points to the attention of the Minister of Transport (Mr. Lang), who is not with us at the moment, but he will be able to read *Hansard*. Perhaps he is out watching television. I do not know, but whatever the reason for his absence I think it is imperative to point out that under the new provisions of the legislation we are debating now and have been debating for some time in this parliament in the last session he must try to deal with the new parameters which are provided in the legislation and with the deterioration in first class air service which I shall outline briefly here tonight.

In the 1950's western Manitoba and eastern Saskatchewan had excellent air service. That was almost three decades ago. We had air service which took us right through to Calgary in the west, and of course we had an excellent connection with the city of Winnipeg by air. As Air Canada upgraded its equipment, moving into the turbo prop from the old DC-2 equipment, we were included in the Viscount service. As a result of the service which was provided by Air Canada in the 1950's and 1960' we had a marked period of progress. I need not say that in the last decade, for various reasons—there was a change of government in Manitoba, which could have been one of the reasons—there has been a considerable decline in the economic process in terms of industrial development from that which had been noted in the decade of the 1960's.

Air Canada withdrew this service, and it is coincidental with the withdrawal of Air Canada from that important part of Canada that the economic decline set in. The responsibility was turned over to a private regional carrier, Transair, which provided the service under the regional air policy which had been announced by the minister of transport of that day and which was re-emphasized by succeeding ministers of transport. There have been many of them in the game of shuffling cabinet ministers which has gone on in the two recent Liberal administrations. There have been so many changes in cabinet ministers' and departmental responsibility that it is difficult to place the blame, as was pointed out by the Leader of the Opposition (Mr. Clark) during the debate on the Speech from the Throne.

The excuse for transferring the responsibility from Air Canada to the private carrier was that this was going to improve the service under the new, expanded regional air policy. Unfortunately the regional air policy is now in tatters and we have no air service of any kind in the western Manitoba and eastern Saskatchewan region, nor have we had any for the past four years. The rail passenger service has almost completely disappeared as well, so this important economic region of Canada, which includes the city of Brandon, the second largest in the province of Manitoba, is without air service of any kind. This, as I say, has been reflected in the marked decline of the industrial upsurge that began in the 1960's.