

*Supply—Transport*

always been recognized that when a series of questions and answers about a particular item are being carried on between an hon. member and the minister, it has been considered by the Chair that as long as it is carried on within reason it should be concluded before another hon. member is recognized, so that the matter will be dealt with consecutively in *Hansard*. I am not seeking to prevent any other hon. member from speaking, but I think we all want to get through these estimates as quickly as possible, and I suggest this would expedite the proceedings.

**The Chairman:** That is very reasonable. Of course I am not aware before the hon. member raises a question whether it is still on the same particular aspect of the item. If he is still dealing with the same matter then, with the permission of the hon. member for Moose Jaw-Lake Centre, I would yield the floor to him.

(Translation):

**Mr. Bourget:** Thank you, Mr. Chairman. The minister told us that the government had received the air transport board's recommendation.

Now, in his replies to the hon. member for Laurier, on February 2 and 5, the minister stated that the government had refused to accept the air transport board's recommendation.

Could the minister tell us why the government did not accept the board's recommendation?

**Mr. Balcer:** Mr. Chairman, as I said a moment ago, the air transport board recommended payment of a subsidy, on four or five specific conditions and, due to the fact, at the time the request for a subsidy was considered, those conditions had not been fulfilled, the government did not deem it proper to grant the subsidy. However, when those conditions are fulfilled, and if at the time the government considers that Quebecair is still in need of a subsidy to provide an essential service or else to prevent the public from suffering owing to the fact that this company cannot provide some essential services, the matter of a subsidy will once again be considered by the government.

With regard to all those subsidies, we should not overlook the fact that the government must base its decisions on the necessity of the service. This must be a public service, and the

[Mr. Balcer.]

government must not base its decision on the interest of the company itself, but rather on that of the public.

With regard to Quebecair, I must say it is of great service to the people of an area of the province of Quebec which is developing at a tremendous rate. Today, Quebecair serves communities which were not on the map some four or five years ago, such as Gagnonville, Wabush and Manicouagan.

Mr. Chairman, I point out those facts in order to show to what extent the situation is rapidly developing in that part of the country.

Quebecair authorities had made certain forecasts which did not prove to be accurate then, but quite recently, indeed during the last two months, the company has had tremendous success.

It has set up new schedules and, as we have seen recently, it has established a service between Montreal, Chicoutimi and Wabush, and I am quite certain that as a result of the commercial activity which is rapidly increasing now throughout Canada, Quebecair will probably achieve economic success enabling it to operate and serve the public without government help. But, just the same, the government is always ready to help air transport companies for the only purpose of providing transportation which is essential to the public.

**Mr. Bourget:** Mr. Chairman, the minister stated a moment ago that a subsidy had been granted to a western transport company, solely because it was the only one to operate such a service in that area. If I understood the minister correctly, he said that Quebecair was the only one to serve certain new areas like Gagnonville and others, in northern Quebec. I feel that the situation is the same.

If a subsidy was granted to a western company because it was the only one to serve an area, I feel that the same policy should apply to Quebecair since it is the only one to serve those new areas in northern Quebec, and I fail to see why the recommendation of the air transport board concerning Quebecair was not accepted. I do not understand that difference in policy on the part of the government.

**Mr. Balcer:** My hon. friend misunderstood me, Mr. Chairman. In the case of the Regina-Edmonton route via Saskatoon, Prince Albert and North Battleford, there was only one air line, the Pacific Western Airlines, and when this company expressed the wish to withdraw, no other company was interested in operating