

*The Address—Mr. Enns*

services. The adoption of an air policy would not be an attempt to take something away from larger air lines or other regions, but we do expect to have a program for the development of new air traffic using the facilities that exist with existing air lines, that will give encouragement to smaller regional operators. We feel this would result in giving the residents of smaller centres those air services they deserve and want.

Ever since 1963, when the Winnipeg overhaul base was being moved piecemeal from Winnipeg to Montreal, in spite of government protestation to the contrary, we on this side of the house had been asking for a national air policy.

The regional carriers, I believe, need some encouragement. I think a sound policy of government support to give the public the service it deserves should be the central aim of such a national air policy.

• (8:50 p.m.)

At a time when railway passenger service has been curtailed and Air Canada is using larger planes like the DC-8—and they have even larger planes on order—I fear that a “fly-over” system of air transportation will develop whereby people living in smaller centres might be without service. A national policy giving emphasis to regional needs is urgently required and is long overdue. Canada will not retain its air position in North America if such a policy is not adopted; already there just are not enough seats to go around on many days.

The United States recognized the need for strong regional carriers some time ago, with the result that now 11 of the 13 regional carriers are operating in the black. From the United States experience we learn that the regional carriers are developing traffic for the larger lines and the big carriers are actively supporting them now. I therefore do not see why there should be any problem in Canada.

I make the point, Mr. Speaker, that aircraft now are so expensive that an air line needs government guarantees of loans or at least of territories to make their purchases economical. It seems to me that Air Canada is no longer just a domestic carrier and that its schedules are determined by the time of day the flight should arrive in London or some other foreign city. Winnipeg, for example, suffers more than most cities from this arrangement because it is in the centre of the country and there are many flights that just seem to fly over the city, or arrivals are at a

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poor time of day, inconveniencing the travelling public and providing poor connecting schedules. I think it is time we spoke about this high handed action by Air Canada.

A national air policy must be developed with proper subsidies to the regional carriers where uneconomic routes provide a service that is in the best interests of the community. There is nothing strange about this kind of proposal. We have done it with rail and ships, and indirectly we have done it with trucking; so this is something we could well do for air lines as well. Last fall the five regional air carriers, Pacific Western, Nordair, Quebec Air, Eastern Provincial and TransAir joined in a common submission to the cabinet in which they envisioned the removal of the major air lines from short but rather lucrative links which are really feeder lines. Such a transfer would assist these regional carriers financially and permit them to develop air traffic which could feed the larger air lines or tie in with other carriers.

I am not claiming that this is the only solution to our air transportation difficulties, but certainly these proposals bear some examination. I believe that Air Canada seems to be revealing more and more of the bad effects of a monopoly. It seems that it has grown so big that it can afford to ignore the demands for better service to the smaller towns and cities. As the years go by I think it is even more essential for us to have well enunciated, clear and distinct national policies so that we know what we can expect in this field.

Mr. Speaker, I have a few minutes left in which I wish to place emphasis on a matter that has given rise to much concern in my own riding of Portage-Neepawa. I refer to this wonderful program of support that the Department of Industry has developed in the designated area program. In a news release issued last August the department said:

In viewing the economic problems facing Canada and its regions, the government is convinced that special emphasis must be placed on the need to expand Canada's manufacturing and processing industries. We are determined to ensure that a share of this expansion takes place in areas where industrial employment and income opportunities have tended to be inadequate.

I submit to the Minister of Industry (Mr. Drury) that the area and district of Portage la Prairie is one such area where the development of manufacturing and processing industries has certainly been inadequate. Yet for very surprising reasons not completely