[Translation]

AGRICULTURE

DAIRYING—REDUCTION OF SUBSIDIES—PROTESTS FROM QUEBEC AND ONTARIO PRODUCERS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, may I ask the Minister of Agriculture a question?

As the estimates for the next fiscal year indicate a decrease of \$21 million as compared with last year, could the minister tell the House whether he has received representations from industrial milk production boards in Quebec or Ontario in this respect?

[English]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, it is not clear from the question whether the hon. member is talking about a projected increase in dairy support. If that is the impression he got, it is erroneous.

[Translation]

Mr. Speaker: Is the hon, member for Bellechasse rising on a supplementary?

Mr. Lambert (Bellechasse): Yes, Mr. Speaker.

I hope the minister will not take my question as criticism. I simply wish to know whether he has received representations from industrial milk production boards with respect to the reduction that is announced in the estimates.

[English]

Mr. Olson: Yes, Mr. Speaker, I have received a number of representations dealing not only with the level of subsidy support but also respecting the price levels and, indeed, a new situation that has to be dealt with, when the market price for some dairy products is substantially above the support levels.

AIR TRANSPORT

AIR ONTARIO SERVICE—POSSIBLE CHALLENGE TO FEDERAL AUTHORITY TO REGULATE AND LICENSE CARRIERS

Mr. Maurice Foster (Algoma): My question is for the Minister of Transport, Mr. Speaker. In view of the announced increase in Air Canada service within the province of Ontario and recent press reports that the Ontario government is sponsoring or assisting a new air service, Air Ontario, does the government of Canada plan to meet head on any challenge to its authority to regulate and license air carriers within the province?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I would not regard this as what the hon. member has described as a challenge to our authority. As things stand at the present time and as I indicated yesterday, Air Canada will be holding discussions with the government of Ontario with a view to providing more in the way of what might be described as regional or hub and spoke services. Given the existing regional air policy, of course the company to which the hon. member refers would not

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be entitled to apply for services within Ontario or anywhere else unless that policy were changed.

- Mr. Speaker: The hon. Leader of the Opposition.
- Mr. Peters: A supplementary question.

Mr. Speaker: The Chair will recognize the hon. member for Timiskaming on a supplementary question. I draw to the attention of hon. members that we will be running short of time within five or six minutes. There may be time for that number of questions if hon. members are quick in asking them and we obtain prompt answers from the ministers. The hon. member for Timiskaming has a supplementary.

ONTARIO—ACQUIRING BY AIR CANADA OF TYPE OF AIRCRAFT REQUIRED TO PROVIDE REGIONAL SERVICES

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to ask the Minister of Transport whether he has a report as a result of the investigation he agreed to undertake that Air Canada has available the type of aircraft that could service the area mentioned by the hon. member for Algoma?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I think I can say I have a report in terms of further discussions with the chairman of the board of Air Canada. There are two or three types of aircraft, some already in use in Canada and some not, which are being examined. However, a final decision on this matter is not possible until the route structure has been put together.

POST OFFICE

RESPONSE BY TREASURY BOARD TO UNIONS' PROPOSALS ON WAGES AND JOB SECURITY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, my question is directed to the President of the Treasury Board and concerns the negotiations with the postal unions. Has Treasury Board replied to the proposals of the unions regarding wages and security of jobs by either accepting them or making counter-proposals?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I am not sure what the situation is this morning but as of yesterday Treasury Board had not replied nor countered in view of the fact that the unions have not presented any proposals.

SUPPLY AND SERVICES

METHOD OF AWARDING CONTRACT TO INTERNATIONAL TELEPHONE AND TELEGRAPH TO MECHANIZE MAIL SORTING IN POST OFFICE

Hon. W. G. Dinsdale (Brandon-Souris): My question is for the Minister of Supply and Services, Mr. Speaker. Is the hon. gentleman aware of the \$70 million contract