

that consideration would be given to the establishment of other departmental offices in northern Ontario.

When appearing before the Standing Committee on Miscellaneous Estimates recently, the minister further stated that this matter would receive priority consideration once the department's initial decentralization is completed. The Toronto office will be headed by an assistant deputy minister, who was appointed on October 19, and the Thunder Bay office will be under the direction of a director. The decentralization of the department is now well in progress. The six assistant deputy ministers have been selected and their appointment was announced on October 19 and on December 3. The appointment of four of the ten provincial directors-general was made public on November 20, and further appointments are to be made soon.

I think that from my comments the hon. member will conclude that no time is being wasted and that this department is rapidly putting into place the administrative machinery to implement its new programs. Detailed consultations about these new programs have been held over the last months with all provincial governments and these have now reached the final stage. The minister will be making announcements about the objectives and features of the department's new development thrusts in all provinces over the next few weeks as soon as agreements are reached with individual provinces.

In the case of Ontario, Mr. Speaker, it can be said that the consultations have been very effective and it is hoped that the signing of a general development agreement covering the federal-provincial developmental effort in Ontario will take place soon.

AIR TRANSPORT—HEAD TAX ON PASSENGERS—  
SUGGESTED CHANGE FOR PASSENGERS USING FEEDER  
AIRLINES

**Mr. Allan B. McKinnon (Victoria):** Mr. Speaker, I see with regret that the Minister of Transport (Mr. Marchand) is not in the House tonight to participate in this debate, but as I look over the serried ranks of the government benches it comforts me to realize there is someone there to speak with all the awesome authority of the Minister of Transport. I asked the minister on December 6, as recorded in *Hansard* at page 8471, if he would consider making changes in the new head tax of \$2.80 on air passengers that would make it less discriminatory against people who live on islands or reside in cities and towns on feeder airline routes. His answer was no.

Victoria airport has been vastly overcrowded for a considerable length of time. I asked a question, that was answered on September 19 this year, concerning the crowding of a variety of airports and received a list of seven airports which showed that Victoria was far more crowded than any of the others. This is a very handsome airport but far too small for the number of people crowding through it, particularly in the tourist season. I need only say that Victoria airport in the tourist season is a little more than twice as crowded as Toronto airport was before the opening of terminal No. 2, and anybody who had the experience of passing through Toronto airport before they opened terminal No. 2, which drained off

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hundreds of thousands of people, will realize just how crowded our pretty little airport is.

● (2220)

I might say in passing that it is very well staffed and managed and the people who are employed there, like all the people engaged in welcoming tourists and visitors to Vancouver, are noted for courtesy and efficiency. I understand there is a compromise solution that has been offered to enlarge the airport, which I welcome; but I would have preferred that they had moved their plans two years ahead to a more appropriate date of 1974 and had gone ahead with the original plan to enlarge it. However, I do not want to upset anything that will alleviate the overcrowding situation next summer.

On the question of the \$2.80 head tax, Mr. Speaker, it would be hard to design a more iniquitous and unfair tax than this when you relate it to the people who are going to use it. It is not related to the length of the trip or the ability to pay, or first-class or economy fare or old age pensioners; it is just a kind of bludgeon and everybody is hit with \$2.80 no matter how far they are going or no matter how long they will be in the airport. I understand a change has been made now and that people will not have to pay \$2.80 every time they change on a single trip.

Just looking at the trip from Victoria to Vancouver, that comes to \$13 now. I might recall for the parliamentary secretary that 11 years ago we used to travel from Victoria to Vancouver for \$5. It was subsequently raised to \$8 and it is now \$13. This tax will make a total of \$15.80, a 21 per cent increase. At the same time there is a subsidized ferry route which takes you to Vancouver for \$3.25 midweek and that includes the bus to the ferry and to downtown Vancouver. The fares for air travel do not include bus fare, so that adds another \$4. People are going to be discouraged from using air travel from Victoria to Vancouver, and 80 per cent of our passengers go to Vancouver. It is not only bad business and unclear in its execution; it is also likely to cost them dearly in passengers in the long run. When they enlarge the airport they might find that passengers have dropped off.

We have no proof that the department is in need of this money. Airports have always lost money; airports always need money. I suspect someone has come up with this idea for raising money perhaps after travelling in a foreign country where they have seen a sales tax or a head tax. A sales tax would be more fair than this type of tax. Somebody probably came home and said to the Minister of Transport, "Let's charge everybody \$2.80 for using our airports". Probably they do need the money, but they have not explained to this House or anybody else that they need it. They would do well to look at the submission made by the Air Transport Association of Canada. This group, of course, is not disinterested but they ask that the proposed airport charge should wait.

At the present time, although it is due to start on or after January 1, there is no inkling whether the tax is to be collected with the ticket, whether there will be cash registers in the airports, whether the commissionaire is going to collect it, the tax collector, or who. This is a disgraceful display of bad administration, Mr. Speaker, and it should be halted until they find out, first, why they