

lot of 40-year-old DC-3s flying around, and that situation does not give adequate, proper and sometimes safe care to northern travellers.

• (1740)

We introduced that capital program. It was in place. But it was wiped out in the November statement of this Government.

Mr. Forrestall: It was an inadequate program.

Mr. Axworthy: It was a very effective program because the communities and the airlines were beginning to negotiate as to how they could use it. I know there is a tendency in this House for Hon. Members on the government side to stand up and say, "Boy, everything you guys did before was all wrong", but I simply point out that we did some things right and the present Government did some things wrong when it came to power. It wiped the slate clean, and now the program has to be reintroduced by means of this motion.

I have no argument with its being reintroduced but Hon. Members opposite should recognize that their Government was responsible for eliminating what in effect is asked for in this motion. I think it is very important to take note of that history, although we have now acquired the remarkable facilities in this House to rewrite history. It is said that everything started on September 4. But I can tell you, Mr. Speaker, that when it came to deregulating the airlines, it started several months before then. I would like to say to Hon. Members that I only wish the Government had the same interest in pursuing that policy. In fact, I find it wonderfully ironic—and I find many things ironic about this Government—that it can give us this rhetoric about getting Government off the backs of private enterprise and getting rid of all of the government regulations when in fact the Government has slowed down the deregulation process which we put into place. The steps we introduced last spring have in effect been put into limbo.

I would say, Mr. Speaker, that if we had the power to amend, I would have been very happy to provide further amendments to this resolution. For example, the Transport Committee should make a full examination of the role and responsibility of Air Canada under the new airlines domestic policy. Unfortunately, the Prime Minister (Mr. Mulroney), in one of his off-the-cuff, shoot-from-the-hip policy statements said that they could not look at Air Canada. It was very clear, when we introduced the new domestic airline policy, that we could not have a proper deregulated atmosphere when we have a Crown corporation which has 65 per cent of the business. Yet this Government has in effect eliminated the opportunity to pursue the matter of how we deal with a more advanced and expanded deregulated atmosphere. It cannot deal with that properly until it comes to grips with what to do with Air Canada. The Prime Minister, as is his wont, has again forestalled that opportunity.

I wish, Mr. Speaker, that the Hon. Member had provided even further terms of reference for the Transport Committee to look at how we can continue to develop the second phase of the new domestic airline policy which was brought in last

Air Transport

spring. There are a number of things which could be done. I mentioned Air Canada, for one. There have to be major amendments to the National Transportation Act on the whole question of public convenience and necessity, again giving consideration to the proper exit and entry of airlines into these areas, and there has to be proper attention paid to the labour relations side of the problem, because we will not have a more effective airline policy until there are proper policies put in place.

I make the case personally that there should be a much higher level of employee participation or ownership in companies like Air Canada. When we sold Nordair off last year we gave the employees 10 per cent of the ownership, which has provided a very substantially different set of labour-management relationships in that company. So my point is, Mr. Speaker, that I think the Hon. Member has brought to the attention of this House a very important item but he has not gone nearly far enough.

Let me also address something else which I deeply regret. The Hon. Member talked about the impact of high prices and cost of air travel in the North. I would say that it is an extreme case in the North, but the same problem also affects travellers in the south. Perhaps there is no area of the economy which is more price-sensitive than air travel. One can almost have a direct inverse relationship between price and volume of use. Yet, from the time this Conservative Government came into office, it has substantially increased the cost of air travel. It increased the airport fees, the fuel tax, the landing fees, and even last week it brought in a motion rescinding my decision not to charge for the carts which people use to carry their baggage around airports. This has to be the meanest minded group of people in the world. But I know why the Government did that. It has been recaptured by that Department, which has the notion that everything has to have a name tag and has to be charged for. But there are all kinds of travellers coming into Canada. They arrive with their shillings or their pfen-nigs, and when they arrive at the airport and try to get a baggage cart for all of their luggage, they will not have the 50 cents to buy the baggage carts. But this Government, in a very dominant, nonsensical move, has reintroduced that charge.

My point is that the Hon. Member should recognize that these are the very things he has asked for in his motion. He says, "Let's have subsidies to offset the higher cost of fuel, landing fees and other things". Well, Mr. Speaker, it is his Government in the last eight months which has substantially increased those costs.

Mr. St. Germain: We had to increase them because of all the money you squandered in Manitoba.

Mr. Axworthy: I would just say, Mr. Speaker, that if there is any place which deserves to have a lot of money spent on it, it is the Province of Manitoba. If Hon. Members want to get into debate about that, I would just say that, unfortunately, this Government is now taking away all the money which was used to provide jobs in Manitoba and it will reap the conse-