

Air Transport Policy

routes developed by Air Canada and new routes that should have gone to Air Canada. It seems to me that the thrust of the minister's statement is: If there is a route that will not make a profit or only a marginal profit, give it to Air Canada, but if it is a lead-pipe cinch it will be lucrative be sure CP Air or one of those friendly regional carriers gets it.

Air Canada has been allowed to develop only at a rate that ensures that its so-called pre-eminence is steadily decreased. For example, in the recent agreement signed with the United States, Air Canada did not receive the consideration it should have. The other thing the minister should be reminded about in regard to the agreement with the United States is that Saskatchewan was left out completely. It was given no routes. Manitoba made representations to the government and to the minister at the economic conference in Calgary for routes serving Winnipeg-Minneapolis, Winnipeg-Denver and Winnipeg-Grand Falls. None of these can be in effect before 1976 and there is no guarantee there.

I will make another little bet now, if anybody would like to call me on it, that if and when routes are awarded out of Manitoba to the central and north central United States they will go to TransAir. If anybody would care to call me on that bet I will be glad to take it. This airline was handed a lucrative Air Canada route to Toronto in order to subsidize it indirectly so it would serve the people of Brandon, Dauphin and Yorkton. No sooner had it got the route than it quit going to Yorkton. Now an application has been made to quit going to Dauphin and Brandon. That is your private enterprise regional carrier, Mr. Speaker.

The minister talks about decentralization. The ears of the Minister of National Defence (Mr. Richardson) perked up and he even grinned. Air Canada—head office in Montreal; overhaul base, Montreal; major computer centre, Montreal. At the moment there are minor computer centres in Winnipeg and Toronto and the one at Winnipeg is to disappear. Compare that with four of the major airlines in the United States. American Airlines—head office, New York; major overhaul base, Tulsa, Oklahoma; major computer centre, Tulsa, Oklahoma. United Air Lines—head office, Chicago—

Some hon. Members: Private enterprise!

Mr. Speaker: Order, please. The hon. member is having a difficult time. I think the House owes it to the hon. member to give him an opportunity to make his statement without interruption.

Mr. Benjamin: As I was saying, Mr. Speaker, United Air Lines—head office, Chicago; major overhaul base, San Francisco; major computer centre, Denver, and other computer centres in Chicago and San Francisco. The minister talks about Air Canada serving as a model for decentralization. I suspect that even the Air Canada finance group at Winnipeg will be slated to disappear once the computer operation is further enlarged at Montreal. I will make a little bet with the minister on that, too. Air Canada can and should be setting an example for the private airlines I just mentioned but has been prevented from doing so by the policies of the government. Anything that will

[Mr. Benjamin.]

enhance the prestige of private enterprise, particularly Canadian Pacific, has met with approval.

May I briefly mention the international routes about which the minister spoke. He reminds me of the Pope in the Middle Ages who divided up the world between Spain and Portugal. There is no real change in the thrust or objective which is to provide more of the best to Canadian Pacific. The division has been made in such a way as to provide CP Air with most of the new areas that will afford the largest growth in international traffic. Air Canada gets Yugoslavia. Very good; I am glad. But CP Air gets the countries from which there has been massive immigration to Canada—Portugal, Spain, Italy and Greece.

● (1130)

An hon. Member: And they pay taxes on every flight.

Some hon. Members: Hear, hear!

Mr. Benjamin: Air Canada is to get northern Europe, but the minister says CP Air will keep Amsterdam. Why? We do not know what the rationale is. Air Canada is to have all of Africa except Morocco and a few other north African countries. I will make another bet with the minister that eventually CP Air will get Egypt and Libya as well. Israel could not get them but CP Air will.

The entire thrust of the statement of the minister is an extension of the bad policy that has been carried on since the early 1950s. The NDP will continue to propose fundamental changes in air policy and the way in which it serves the people of this country.

[Translation]

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, what surprises me about the policy statements of the Minister of Transport (Mr. March) and as indeed those of the other ministers is that they always in substance express wishes, but their application never does stand up to the statement. This morning once again wishes have been expressed when it was stated that transport must first ensure adequate domestic service to the Canadian people.

In my opinion, the Minister of Transport knows as well as I do, especially as regards transport between Quebec City and Ottawa, all the difficulties incurred on that flight. We have to fight to obtain direct flights and the Minister of Transport, who travels as often as I do, is yet unaware of the ineffectiveness of his policy statements on transport.

Further on, the minister states three important points of that policy. First, to ensure safe, efficient and convenient air services. Once more one can realize the problems confronting small domestic airlines almost everywhere. We do not mind speaking about international airlines but we often forget to implement the guidelines mentioned in the minister's speech which are aimed at providing efficient service to Canadians.

Second, the problem is to contribute to the economic and social growth of our country, a contribution which unfortunately comes in late in most cases.

Third, the program is to see to it that the various air transportation services are reasonably balanced so as, and I now quote the minister's own words: