

Proceedings on Adjournment Motion

vice is disappearing rapidly, and the end of that process is not yet in sight. To compensate for the loss of adequate rail service, the regional air policy was inaugurated. In the initial stages it was provided in this region by Trans-Canada Air Lines, later Air Canada. Then around 1960 Air Canada authorized TransAir to carry on this service with a subsidy or service development grant. In one respect Air Canada is still obligated to provide this service because in the first instance it was merely a lease arrangement.

The real crisis came when the government withdrew the subsidy from TransAir in 1968. As a result of that loss of support the private carrier applied to withdraw from several of its route obligations, with the results that I have already indicated. It is obvious, if you trace the development of this service over the past 15 years, that the Department of Transport intended that this part of Canada, along with other parts, should be provided with adequate air service. A considerable sum of money, up to \$2 million, has been spent on a new runway. A new terminal building costing \$200,000 was completed just one year ago to provide for a constantly improving service. This new terminal, of course, will stand derelict until a reasonable and just solution can be reached by the minister and there is restoration of an adequate service that is so urgently needed.

I think it is essential for the minister to recognize, as he considers this problem, that until traffic has been built up on this western lateral of the TransAir service, a subsidy or grant in aid ought to be made available. This would not be the only air service in Canada that is subsidized. I have figures before me relating to the early part of the 1960s and showing that Air Canada service is subsidized to many points in Canada. For example, the Toronto-Ottawa-Montreal run was subsidized to the tune of \$2.25 million. The Air Canada Montreal-Atlantic region run was subsidized to the tune of \$2.5 million. So this would not be an isolated instance of subsidy. If granted, it would be recognition of the fact that in this day and age adequate air service is necessary for industrial progress and development.

I wish to mention another aspect of the problem. One reason TransAir has found it increasingly difficult to operate in the black is the unfair competition of Air Canada, particularly on the Winnipeg-Regina stretch of the western lateral. Every time TransAir tried to adjust its schedule so that it could provide the best service for intervening points like Regina, Swift Current, Brandon and Winnipeg, that service was bracketed by Air Canada. I think Air Canada ought to be required to conform to the regional air policy laid down by the government, under which it is to provide the best possible air transport service to all parts of Canada.

There is one other aspect of the matter, Mr. Speaker. TransAir has been given some lucrative routes into Winnipeg, Thunder Bay and Toronto. It asked to withdraw from the Kenora-Dryden-Thunder Bay service, but because it was allowed to continue on to Toronto that service is continuing. I have flown that route from time to time. If anyone says that too few passengers are generated on the Regina-Brandon-Winnipeg run, I can

[Mr. Dinsdale.]

advise the minister that there are even fewer generated at such points as Kenora and Dryden, yet those points are provided with class I service. All we are asking for in western Manitoba and eastern Saskatchewan is equity so that we may be able to benefit from the general regional development program of the government.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I am pleased to respond this evening on behalf of the Minister of Transport (Mr. Jamieson) to the questions raised by the hon. member from Brandon-Souris (Mr. Dinsdale). The House is not unfamiliar with this subject; I recall several questions over the past few weeks which were put by the hon. member to the Minister of Transport. On the aspect of providing additional passenger service to Brandon, it appears to me that the real essence of the situation can be found in the minister's answer to the hon. member during the question period of January 26, as reported at page 2757 of *Hansard* as follows:

I think he is as well aware as I am that level of usage is one of the determining factors. We are doing our best to put the kind of aircraft into that service that will accommodate the people who are offering their patronage.

The hon. member, Mr. Speaker, has raised some additional points which I will bring to the minister's attention. At the same time, these representations might be referred to the Canadian Transport Commission in the event that a further application to serve Brandon is filed with the commission.

• (10:10 p.m.)

In response to a related question asked by the hon. member on January 22 about the possibility of the minister visiting Brandon, I am informed that His Worship Mayor Wilton has extended a kind invitation to the minister to officially open the new air terminal building. The minister has accepted the invitation and has agreed with the mayor that he will visit Brandon early in the coming spring. Specific arrangements will be made in the weeks ahead.

CANADIAN NATIONAL RAILWAYS—DISCONTINUANCE OF
DINING CAR SERVICE—OTTAWA-MONTREAL

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I realize that this question was asked last night by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand). I thought that perhaps the duty man tonight would not be the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) and that someone else would give a different type of answer. Perhaps the parliamentary secretary has had an opportunity between last night and tonight to look at the situation.

We have heard a lot about rationalization in the last few days with regard to railways generally. Never did we believe that nationalization of Canadian National Railways would lead to the rationalization of "the public be damned" policy that is being adopted by the CNR. It has been said that in the first half of the century Canada was a child of her waterways and that in the second half she was a child of the railways. Now Canada is to lose that