

like Brandon-Dauphin-Yorkton is not the way to accomplish that goal.

The propensity of the transportation commission to approve applications for abandonment of air feeder lines, rail passenger service and rail lines, runs directly contrary to the objective of making smaller communities in Canada attractive places to live, and thus counter the trend to urbanization. Even more ridiculous is the lack of co-ordination between the government's programs to promote greater economic equality on a regional basis through the Department of Regional Economic Expansion particularly and its failure to develop a transportation policy that would further that objective. Indeed, the government's decisions with respect to transportation most often have exactly the opposite effect to that of removing regional economic disparities. Freight rate structures, for example, as was forcefully demonstrated by the four western governments at the Western Economic Opportunities conference, run directly contrary to the objective of fostering economic growth outside of central Canada's economic heartland.

In this regard, I think hon. members should pay particular attention to the kind of arguments presented this evening by the hon. member for Churchill (Mr. Taylor) in discussing the difficulties encountered in his own area as a result of inequalities in the freight rate structure, a structure that bears no relationship to the economic objectives of this country. Despite promises to correct the situation which the federal government made at the Western Economic Opportunities conference on the subject of freight rates, we have seen little evidence of government action in this regard.

An even more topical example of the government's right hand undoing the work of its left hand, more topical since talks on the bilateral air agreements reopen tomorrow, are the tentative agreements reached respecting air charter service. If I may refer to Suntours, this is a Canadian development conceived and executed by Canadian air carriers. Essentially, Suntours involves the provision to Canadians of the opportunity to take relatively brief and inexpensive tours to the world's sun spots during our colder months. The program is a major component of Canada's air charter business. In turn, charter business provides our regional air carriers with one-third of their revenue. Further, regional air carriers are major corporate citizens in some of our less advantaged regions. For example, Transair Midwest Aviation employs somewhere in the neighbourhood of 700 people in Manitoba and northwestern Ontario. It is a big outfit in that region.

With all these facts before it, what does our brilliant federal government do when it comes to negotiating an air charter agreement? During negotiations for a new bilateral air agreement it opened the discussions on an air charter agreement by offering American carriers about 30 per cent of the Suntours business. That was its opening offer. The government said, "We will give you 30 per cent of Suntours' business". And what does the government demand in return? Nothing. The whole thing is strictly Alice in Wonderland.

It is my understanding that the regional carriers and major air charter lines in Canada have prepared a submission for the Minister of Transport (Mr. Marchand) in

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which they urge the government to modify substantially its position respecting the air charter agreement. I would urge the minister in the strongest terms to pay the closest possible attention to those submissions, because a healthy air charter business is extremely important to the economic well-being of a number of the less advantaged regions of this country.

The bilateral air agreement as it affects scheduled commercial flights provides yet another example of the lack of any co-ordination between the government's policies of regional economic development and transportation. For years the government of Manitoba has been calling for a direct service by Canadian carriers from Winnipeg to Minneapolis, Winnipeg to Denver, Winnipeg to Chicago, Winnipeg to New York and Winnipeg to Los Angeles. At the Western Economic Opportunities conference the western premiers were assured that the representations of Manitoba and similar representations by other western governments would receive every consideration. The result was that the bilateral agreement does not guarantee Canadian carrier operations on any of the suggested routes until 1978. Moreover, it is not until halfway through 1976 that there is any possibility of a Canadian carrier providing service on any of those routes, and this involvement could only be advanced in the event of the total failure of the American carriers to provide the desired service by that time.

What happens in the interim, Mr. Speaker? Western Canadians wishing to travel to major eastern American centres will continue to be funnelled through the already overloaded facilities at Toronto and Montreal. In the case of the Winnipeg-Minneapolis run, Northwest Airlines, an American carrier, will continue to have the monopoly and, holding the monopoly, will continue to provide rotten service. I say "rotten service" advisedly. Moreover, in the event of another strike against that airline, Winnipeg will once again be without any air service to Minneapolis for the duration, which is bound to be lengthy because of the revenue-sharing agreements that American carriers have to cover strike situations.

Among other things, this means more damage to the Manitoba tourist industry of the magnitude that we in that province experienced during the last strike when, to mention just one business, \$30,000 had to be rebated to persons from the Minneapolis area who had booked on the cruise boat *Lord Selkirk II*. And this was just one very, very small part of the tourist industry of Manitoba. I hope that when the talks on the agreement resume tomorrow, our negotiators will be doing all in their power to serve Canada's legitimate regional interests and aspirations.

● (2050)

I now turn to another area of federal concern, that of pollution abatement. It is a demonstrable fact that trains contribute only one-fifth the pollution of the atmosphere that highway traffic necessary to move an equivalent number of people contributes. Nevertheless, the CTC has blindly granted permission to the railways to reduce the transcontinental and intercity passenger service to almost zero and has made no protest about the downgrading of service on the remaining runs, which downgrading of service is calculated to make rail passenger travel even