

*CNR and Air Canada*

account fact, and not necessarily the particular circumstances surrounding what appears to be fact.

• (1620)

One of the reasons given for the removal of the dispatch offices from Halifax is that one of the major U.S. airlines, I believe it is Eastern, has centralized all its dispatch facilities in Florida. The question is asked: if they can do it there, why can't we do it here? This seems to ignore the fact that there it is essentially a north-south operation, while here we are talking essentially about an east-west operation. In no other part of the Atlantic seaboard is there such a concentration of all the weather coming off the North American continent as there is in the Atlantic provinces.

I understand that this matter is presently under consideration. I urge that it be given the most thorough review possible, by transport officials, from the point of view of safety. It should be determined whether or not we are downgrading the safety of the operations of Air Canada. This is something that is important not only to us in the Atlantic provinces. There are only a dozen or so jobs involved, possibly 55 or 60 people involved. That is bad enough, but the important consideration is whether or not the removal of the dispatch office, together with its responsibility, to a site 1,000 miles away, taking into account the uniqueness of the weather situation in Halifax, is a wise decision.

We again warmly welcome the minister's indication that for the time being he will stay any reduction in the intra subsidy rate, the percentage reduction from 17 per cent down to a suggested 15 per cent. As I say, this is welcome. We hope that the studies which the minister is undertaking, and which he indicates he intends to continue undertaking during this stay of execution, will be fruitful, and that out of them will come the type of responses that are urgent and necessary to businessmen in the Atlantic area. In this connection I think most members of the House, particularly those from the Atlantic area, would welcome an early opportunity to examine the second report to which the minister made some considerable reference this afternoon.

The minister made a very forceful point with respect to the level and the impact of rail transportation, particularly within our region. He cited a lot of statistics. He will have to read them tomorrow to see just what in fact he was saying. For example, it would be interesting to ask how much of that \$15 million was used to subsidize the movement of furniture out of the Maritimes, and thereby families, to other parts of the country. I am not at all sure that that major loophole in the decisions of 18 months ago has been corrected. If it has not, it is time that it was corrected. The very thing that the minister was commenting upon is indeed encouraged by the existing policies. The minister was correct when he said that essentially we must get the most advantage out of what we have available to us. That goes without saying.

Now, dealing with an entirely different area, Mr. Speaker, I wonder when the minister will be able to deal effectively with the establishment of independent port authorities. I would like the indulgence of the House to discuss

[Mr. Forrestall.]

this matter for a few minutes, and summarize the events of the last eight or nine years.

In 1963, the Glassco Royal Commission, in volume V of its report dealing with the organization of the government of Canada, at page 87, recommended, and I quote:

Control of the seaports and airports now under review is centralized in Ottawa. This results in criticisms of standards adopted for capital works—too lavish to be economic but short of what local pride demands—of services provided, and of charges therefor. Internationally, the trend is to decentralize administration of harbours and airports, thus passing responsibility for capital and service standards to either municipal authorities or to local bodies created for the purpose. The geography of Canada being what it is, your Commissioners are of opinion that the aim should be to foster local pride and promote local participation, and to arrange that standards of works and services be such as to permit charges that are fair and reasonable.

On July 24, 1970, the Minister of Transport (Mr. Jamieson) told a news conference that the government would phase out the National Harbours Board and decentralize port management. He said, and I quote:

All Canadian ports have different problems and decentralization would enable local authorities to deal with their own special problems in each area.

The new national authority will act as custodian of all federal port property, recommend national objectives, establish tariff and user charges, and set guidelines for leasing, licensing and contractual agreements. Local port authorities will submit an annual budget to the central executive.

The local authority will administer daily operations including traffic promotion, maintenance, property and lease hold management, and planning analysis for long and short-terms. It will also handle capital investment, co-ordination of port development planning and liaison with local governments.

That sounded pretty specific to me, and I am sure it did to a lot of other Canadians. But about a year later the minister had changed the emphasis slightly. In a statement on May 12, 1971, he said:

I am convinced that the federal role can be achieved best through the closest co-operation with the provincial governments and even more particularly with those concerned with the particular ports themselves.

I propose to create local port authorities for each of the nine major ports now administered by the National Harbours Board.

I also emphasized the greater emphasis which was to be given to decentralization of responsibility and to the concept of financial viability through the balanced use of the principle of cost recovery. The new ports policy is not only consistent with this objective, but an important step in carrying it forward.

A point of interest will always be the extent to which shipping in the St. Lawrence will pay on the principle of cost recovery on winter arrangements for the support of navigation. Throughout the winter information is available on the constantly changing ice situation, advice on the easiest routes to follow, and icebreakers are available to escort ships through difficult areas. If they happen to be there on flood control duty, well, that is the way we tend to approach these problems. Then, there are all the additional services and projects on the St. Lawrence that have been added since the above details were provided by the then parliamentary secretary to the Minister of Transport in reply to a question on December 20, 1967. Sometimes one may be forgiven if one suspects the minister has a policy of granting subsidies to the wealthy, and payment on a cost recovery basis for the poorer provinces. This is