

*Canadian National Railways and Air Canada*

TransAir. TransAir received the subsidy because the route must be subsidized. We recognize that air transportation is basic. We also recognize that at this stage of economic development, transportation cannot be provided at an adequate level without an air subsidy. However, that was removed. That was also done under the then minister of transport, the Hon. Jack Pickersgill.

Today we are faced with the possibility that air service on the western lateral by the regional air carrier, TransAir, will be discontinued absolutely effective January 1. This precipitates a crisis. This is the reason I wish to briefly bring the problem to the attention of the government and hon. members. It was obviously the intention of the government to upgrade that service, because over \$1 million was expended in the early 1960s to expand and upgrade the quality of the main runway.

A few years ago an excellent new terminal facility was opened at the Brandon airport. While it is designated as the Brandon airport, it is actually beyond the boundaries of the city of Brandon. It was designed to serve the whole western Manitoba region. Just at the precise moment the new air terminal facility was opened, the air transport committee was giving authorization to TransAir to downgrade its class A service to a class B commuter service. The latest decision of ATC, which seems to be flying in the face of the declared policy of the government to upgrade this facility and the regional air service, is to accede to the request of TransAir to discontinue completely its responsibility of supplying air service to western Manitoba and eastern Saskatchewan. This involves a population of some 200,000.

● (2150)

I recommend to the Minister of Transport and to the government, as I have already done by letter, that it suspend the decision brought down by the air transport committee early in October which permits TransAir to abandon its responsibilities completely, and while this whole matter is in a state of suspension the government should authorize the air transport committee to conduct a thorough review of its regional air policy on the western lateral of TransAir. I see the parliamentary secretary to the Minister of Transport nodding his head in approval. On this basis, the basis of a thoroughgoing review, the government should then go forward to formulate a policy which would deal adequately with the circumstances I have outlined.

I do not wish to pursue this matter further at present, other than to remind the Minister of Transport that when he was the minister responsible for the Department of Regional Economic Expansion it was under his leadership that western Manitoba was designated as a major growth area under the DREE program. I am sure he would not have allowed or arranged such a designation unless he was in sympathy with the view that an adequate air service should be provided. I trust, therefore, that this question will be considered further in committee when the bill advances to that stage, and that the government will be making an announcement in this connection. Many of the new industries which DREE helped to establish are concerned about losing direct air transportation into their market area. I trust we shall see some positive, vigorous

[Mr. Dinsdale.]

action on the part of the government at the earliest moment.

**Mr. Knowles (Winnipeg North Centre):** Mr. Speaker, I would find it difficult to say what I have to say in five minutes. I notice that all the "late show" performers are in the chamber, and I wonder whether the House would agree to call it ten o'clock.

**Mr. Deputy Speaker:** The House has heard the suggestion that we call it ten o'clock and proceed to the adjournment debate. Is this agreed?

Some hon. Members: Agreed.

## PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion under Standing Order 40 deemed to have been moved.

### AGRICULTURE—MILK SUBSIDY—REASON FOR DELAY IN APPLICATION TO PRINCE EDWARD ISLAND

**Mr. Heath Macquarrie (Hillsborough):** Mr. Speaker, listening to the suggestion made by the hon. member for Winnipeg North Centre (Mr. Knowles) I found myself thinking of the quotation "O, most excellent man!"

On October 18 I addressed a question to the Minister of Agriculture (Mr. Whelan) concerning the delay in making the federal milk subsidy operative in Prince Edward Island. The minister said he was confused by the complimentary remarks with which I prefaced my question and for that reason he could not give me an answer. Tonight I shall delete any compliments lest I trouble the parliamentary secretary. The issue is naturally one of great concern to the people of Prince Edward Island. In the *Guardian* of October 16, Premier Campbell is quoted as being "extremely disappointed". He said that as minister of agriculture he had made representations to the federal Department of Agriculture the day after milk prices were advanced. He went on to say:

I cannot understand why a federal subsidy is not now immediately committed to Prince Edward Island and I intend to keep after them for the payment, which should be automatic.

I say "amen" to those words, and I hope Premier Campbell is doing just what he said he would do. I feel exactly as he does on this issue. On September 4 I was in this chamber when the Prime Minister (Mr. Trudeau) announced measures relating to the high cost of living. He said:

The federal government wishes also to alleviate the burden of the price of milk for Canadian families and insists that any measure taken shall benefit consumers. The government is therefore willing to guarantee payment of a 5-cent subsidy per quart of milk to provinces where marketing boards will agree to maintain or reduce the cost of milk for at least one year. At the same time, the government will set up a program aimed at reducing by an equivalent amount the price of a package of powdered skimmed