

*National Air Policy*

When it comes to merging, eastern Canada airlines such as Quebecair, Great Lakes and Eastern Provincial Airways immediately come to mind. However, one must not exclude any other group which would eventually be interested in purchasing the shares now held by government. Although the government now owns these shares, it must be pointed out that the company will continue under the present management team. For example, the president, Mr. Lefrançois, will not quit. Quite the contrary, during this interim period the management and the operation of the company will continue as they were in the past. Taking over the financial aspects of Nordair for the next twelve months will enable the government to ensure the funding and merging of regional carriers. Quite obviously, too much dissipation of efforts on a regional basis will not give good results. By acquiring Nordair, the government takes advantage of an excellent opportunity to review the whole network of airlines in eastern Canada, on a current as well as future operational basis.

In reorganizing regional air transportation, I do not see any problem in there being both competition and co-operation between regional and national carriers. So there can be competition for routes and co-operation with regard to schedules, the main objective still being to provide an efficient service at a reasonable cost. Mr. Speaker, last week I had the pleasure of a discussing this problem rather specifically with representatives of the Miramichi economic society and representatives from Chatham who complained for instance of a lack of co-ordination between EPA schedules on flights between Chatham and Fredericton and asked for a connecting Air Canada flight to Montreal. So I think there is much room for greater co-operation among airlines and for competition.

Mr. Speaker, there is another thing I want to point out and which the Leader of the Opposition (Mr. Clark) mentioned in his speech, namely his shocked attitude when he spoke about Canadair and de Havilland operations. One might have thought the Leader of the Opposition was jealous of Canadair's unprecedented success, and I would have liked him to say to the 500 Canadair skilled workers and technicians that, in his opinion, it was high time this great state-owned and highly successful corporation be handed over to the private sector. He forgot to mention also the role of the government in the expansion of the Fleet company in southern Ontario which manufactures parts for long range patrol aircraft and how, as a result of government intervention, the number of employees has gone from 200 to 1,000 within 18 months.

To want to sacrifice everything for the sake of free enterprise and competition in this country is, as I said earlier, to disregard the entire history of this country which was first developed, if we go back to the beginning of the railways, thanks to the CNR and also, of course, because the fabric of

[Mr. Lapointe.]

our history could be protected precisely by keeping a strong government hand in business while at the same time promoting a free enterprise system which could also make profits.

So I think that the motion before us today should be unequivocally rejected by all members of this House.

I think we picked up today in the statement of the hon. Leader of the Official Opposition (Mr. Clark) the most obvious contradiction that could be expected from a party which wrongly hopes—and very much so, Mr. Speaker—to replace us. On the one hand they argue that national airlines should not fly regional routes, but on the other hand they complain about the fact that national airlines no longer serve cities such as Bagotville and they are unable to say whether the national airlines or rather, in this case, Air Canada, will continue to operate in northern Ontario. Mr. Speaker, I do not think that by talking on both sides of the fence, as did the Leader of the Opposition today, we will succeed in setting up sensible guidelines in the field of air transportation.

The present policy of the government is to continue to have two main regional carriers and two main—

● (1742)

[English]

**The Acting Speaker (Mr. Ethier):** Order, please. It being 5.45 p.m. it is my duty to interrupt proceedings and to put forthwith every question necessary to dispose of the supply proceedings now before the House under the provisions of Standing Order 58(9).

Therefore, the question is on the motion of Mr. Clark. Is it the pleasure of the House to adopt the said motion?

**Some hon. Members:** Carried.

**Some hon. Members:** No.

**The Acting Speaker (Mr. Ethier):** All those in favour of the motion will please say yea.

**Some hon. Members:** Yea.

**The Acting Speaker (Mr. Ethier):** All those opposed will please say nay.

**Some hon. Members:** Nay.

**The Acting Speaker (Mr. Ethier):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Ethier):** Call in the members.

The House divided on the motion (Mr. Clark) which was negated on the following division: