

Supply—Transport

I suspect that a close examination of the keeping of records in this regard, the collection and billing of the amounts involved, and so on, would prove that it is quite costly. I think there is a more simple expediency. I would suggest that most operators in the country would not be averse to the addition of one half, three quarters or even a full cent per gallon of gas in the form of airport fees. If the minister will consider that I am sure that his department would receive from the people involved their further very grateful thanks.

Moving now briefly into another area, which again has some sense of urgency about it, I should like to say something about the application of aircraft for agricultural purposes. In this connection I would ask that the minister consult with his appropriate colleagues in the government so as to encourage their favourable consideration of the removal of the 11 per cent sales tax on aircraft used purely for agricultural purposes. It seems to me quite unfair that farmers who have a ready use for agricultural aircraft are somewhat deterred from making an entry into this field owing to the application of this sales tax. They can buy their tractor and virtually every other piece of equipment used on their farms without paying sales tax. Yet when it comes to the utilization of a piece of equipment which in many cases would save time and money, improve planting and so on, the farmers run into the question of sales tax, a factor which can add \$2,000 or \$3,000 to the cost of a piece of equipment. I commend this matter to the minister for his very active consideration.

The fourth item I should like to deal with, Mr. Chairman, involves the development of broad guide lines for that area of commercial aviation fondly known to myself as the operations of regional air carriers. Without recalling this too vividly to the minister's mind—though in this respect perhaps the government in office before the present one was a little tardy as well—since early 1960 the Air Transport Association of Canada and the Canadian Pilots Association members all gathered together one by one at conventions and meetings to appeal to the federal government and the Department of Transport for the establishment of a regional air policy, a policy designed to improve service in the several regions of Canada where, to a large degree, subsidies are required to maintain, I was going to say adequate levels of service, but to maintain service. I am sure these

[Mr. Forrestall.]

commercial operators do not even yet feel that the level of service has reached adequate proportions in any of the regions of Canada.

• (8:10 p.m.)

In 1963 the then Minister of Transport told the house that he believed some clarification of the future role of regional air carriers is essential to meet the rapidly changing technical and economic circumstances of aviation. Mr. Chairman, he was right. Then in November 1963, the new Minister of Transport—the old minister having returned to a new portfolio—was right when he reiterated those words. He was right again on February 26, 1964, when he suggested to the house that the whole question of future air policy is under very active consideration. However he said that no conclusions had yet been reached. As soon as one has been reached it will be made known. I hope this will be before too long. It was in late February of 1964.

He was again right in September 1964 when he suggested to the house that he was going to keep on pushing for a regional air policy, just as hard as he could. He hoped that at the end of the year he would be able to make good recommendations to the house which would receive the approval of the house. Again he was right in February, 1965, when he said, referring to the time it would take to introduce effective regional air policies, "I do not think I can say anything useful about the time it would take, beyond saying it will be done just as soon as we think we have something to communicate to the house which will really work."

I understand the problem faced by the minister, Mr. Chairman. It is an old problem and not one that can be left hanging too much longer. Our regional air carriers need some firm direction, they need direction and clarification on the question of subsidies. These subsidies remain necessary in spite of certain protests about them. The government should, and I certainly hope shall, perform that action before 1966 passes into 1967. In order that at some future time the minister will not be embarrassed, I will not take it upon myself to ask him this year, although somebody else might.

Mr. Chairman, a final matter that I wish to deal with in the few minutes left is the question of the necessity of the government of Canada to look at the entire field of light aircraft, including single and twin engine aircraft with fixed gear and retractable gear.