which would be more in line with traditional imports in the 1970-1974 period, skim milk production in the next dairy year would be reduced by approximately 9 million pounds. This would represent a saving to milk producers of close to $3.6 million at current world market prices. More simply stated, every million pounds of cheese imports results in a loss to Canadian producers of approximately $360,000.

An increase in the quota on cheese imports, indeed the lact of a decrease may well result in what some sources describe as a riot within the dairy industry with many producers simply shutting up shop altogether. The inevitable result of this, of course, would be an increase in the amount of imported milk, butter, cheese, etc., to a level from which we could never return.

The very future of the Canadian dairy industry may well rest on the broad shoulders of the Minister of Industry, Trade and Commerce, for his decision as to cheese import quotas is going to have far reaching effects within the whole industry, and should he fail to move in the right direction, he will no doubt pay a price for which he will certainly be sorry. The minister is aware of the fact that the dairy industry is to undergo a re-adjustment in April. Milk production in the first half of the year at least increased 11 per cent—

The Acting Speaker (Mrs. Morin): Order, please. The hon. member's time has expired.

Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Madam Speaker, I would like first of all to congratulate the hon. member for raising this very important question, even though I do not agree with all the statistics he quoted. Let me quote some other official statistics.

In the ten year period, 1963 to 1972, Canada's exports of cheddar cheese to the United Kingdom averaged about 28 million pounds per year. With the entry of Britain into the European Economic Community, exports of cheddar cheese have steadily declined due to the high EEC import levy, and only amounted to about 6 million pounds in 1973 and 3 million pounds in 1974.

In March of this year special access arrangements were concluded with the EEC which provide for a fixed levy on Canadian aged cheddar cheese of only 15 units of account per 100 kilograms, or about 8½ cents per pound. No levy applies to our aged cheddar cheese in the United Kingdom at present, and the full levy of 15 UA does not come into effect until January 1, 1978.

Under the new terms of access, only cheddar cheese that has been aged for nine months qualifies for these special access terms. Exports of cheddar cheese have been slow due to the requirements that the cheese must be aged for nine months in Canada prior to export.

The Department of Industry, Trade and Commerce recently sponsored a study team to the United Kingdom and EEC countries in order to determine the most sound and appropriate manner to re-introduce Canadian aged cheddar cheese to these markets. This five member team consisted of a representative from the Department of Industry, Trade and Commerce, the Canadian Dairy Commission, and three industry representatives. The members have just returned and their report should be available in early 1976.

[*Translation*]

During the same period, imports of various cheeses have increased from 15 million pounds in 1963 to 48 million pounds in 1974.

On June 6, 1975, a global importation quota has been set on all kinds of cheese. This quota has been set at 50 million pounds for 1975, an increase of 2 million pounds over 1974.

This quota has been established—

The Acting Speaker (Mrs. Morin): Order, please. The time allotted to the hon. member is now expired.

[*English*]

AIRPORTS—MIRABEL—REQUEST FOR TABLING OF DATA ON WHICH SKY SHOPS AWARDED FRANCHISE

Mr. Elmer M. MacKay (Central Nova): Madam Speaker, in pursuing this adjournment debate I would like to say I am sure the Minister of Transport (Mr. Lang) is aware that there are serious flaws in the way that tenders are being arranged and contracts being met within his department. The question is, how did Sky Shops win the bid at Mirabel, and we must look into the background.

I would assume that the minister is trying, if only for the sake of intellectual stimulation, to ascertain what prompted Mr. Peter Thomson to take such an extraordinary interest in purchasing Sky Shops. Either Thomson, through one of his subsidiary companies, P. Lawson Travel Limited, had some truly personal reason for wanting to obtain Sky Shops, much in the same way as a collector of antique automobiles will pay an outrageous price for a vehicle simply to complete his collection, or Mr. Thomson knew very well that Sky Shops had an enormous potential over and above its apparent operational value or worth at the time he purchased it. The question is, was part of the potential, or consideration, a franchise at Mirabel?

Late in December of 1971 when Peter Thomson, in a hand delivered letter, wrote to Gordon Brown, one of the executives of Sky Shops, and outlined his offer, it is obvious that the price per share of Sky Shops at that time worked out to less than $17. A few months later Mr. Thomson was prepared to pay several dollars per share more, despite the fact that in the interim the treasury of the company had been pretty well depleted by the payment of nearly $4 per share in dividends.

Whether one decides to measure the value of a company by share earnings as a ratio to price, or calculate the net worth of the company by subtracting the liabilities from the assets and dividing by the number of shares, one surely does not come up with a figure of $20 per share a few months after one offer of approximately $16.75 per share—taking into account the dividend payment which I already mentioned.

In addition, the renegotiation of the lease of Sky Shops substantially reduced the income available to the company and, as Mr. Thomson noted, his calculations as set out in his offer were optimistic due to the scheduled removal of all international flights in 1975 and the probable winding