

Oral Questions

structural shift in North America in the tire industry. At the beginning of the seventies, radial tires represented 1 per cent of the market. Today they represent more than 60 per cent. That structural shift is happening all over North America, and I think nobody can avoid that change in the market.

Mr. Deans: Madam Speaker, my supplementary question is to the Minister of Finance. Surely it is understood by the government that, just as there is unused capacity in the mining of salt, there is also unused capacity in the production of tires. What would the Minister of Finance say to employees in other parts of the country working in the tire industry if they asked him why they should subsidize Michelin not only with their taxes but also with their jobs?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am pleased that the hon. member raised the question of Michelin, because the grant that is made available to Michelin is made available because the plant is located in an area of slow growth. Any manufacturer in any other area of slow growth in Canada—which includes a large part of Quebec, many parts of Ontario and other provinces—would be eligible for the same consideration as the Michelin plant in Nova Scotia was.

I say in reply—and I think the hon. member will at least want to have it clarified—that if there is, as the Minister of Regional Economic Expansion has explained, a change in the market and the plant that is to be located in Nova Scotia is to produce a product which has a rapid future growth, it is not the fault of the department or the government that consumers have changed very drastically their preferences with respect to purchasing tires on not only the Canadian market but the export market as well.

* * *

CULTURAL AFFAIRSVANCOUVER ART GALLERY—FINANCIAL ASSISTANCE
THEREFOR

Mr. Benno Friesen (Surrey-White Rock-North Delta): Madam Speaker, my question is to the Deputy Prime Minister. Last Friday, the hon. member for Vancouver South was asking the Secretary of State about financial help to the Vancouver art gallery and he was told by the Minister of the Environment, speaking on behalf of the Secretary of State, that that would be somewhat contingent upon federal entry into the lottery program.

I would like to ask the Deputy Prime Minister if it is now government policy that legitimate help to legitimate artistic communities is dependent on federal entry into gambling.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, if the hon. member sincerely wants a response to that question, I am quite happy to say that the answer is no to the question put in that way.

Mr. Friesen: That is very interesting, Madam Speaker. Since all studies indicate that lottery programs are supported most by people with lower incomes, and art galleries are supported mostly by people with middle and higher incomes, and given the fact that the Minister of the Environment indicates that it is contingent upon gambling, is it now government policy that lower income people should support higher income people in their programs?

Mr. MacEachen: Madam Speaker, I am satisfied in my own mind that the hon. member is not quoting accurately the words of the minister to whom he refers in his question. The policy to which my hon. friend refers is not a Liberal policy. It was a policy which was found in the budget we defeated last December.

Some hon. Members: Hear, hear!

* * *

CANADIAN TRANSPORT COMMISSIONCALM AIR INTERNATIONAL—REQUEST FOR REVIEW OF
COMMISSION'S DECISION—PUBLIC HEARING

Mr. Peter Ittinuar (Nunatsiak): Madam Speaker, my question is to the Minister of Transport. The people of the Keewatin district were denied direct participation through public hearings when the Canadian Transport Commission made a unilateral decision in the selection of an air carrier for that region.

Would the minister agree to review that CTC decision with regard to Calm Air International's operations in the Keewatin District, and make arrangements to hold public hearings in order that all views on the subject of appropriate air service can be heard and taken into account?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, there are procedures for appealing decisions of the CTC either to the Minister of Transport or to the cabinet as a whole, and these ways and means are open to any person affected by a decision of the CTC.

Mr. Ittinuar: Madam Speaker, that CTC decision was made in a fast manner because the commissioner who was responsible was moving on to the Railway Transportation Commission; he wanted to get rid of that decision so that he could move on into the Railway Transportation Commission. The decision has resulted in additional costs to already exorbitant transportation and freight prices, which are some 200 per cent in excess of southern prices because of lack of competition.

Will the minister, in conjunction with a review of the Arctic airport facilities policy, ensure that all decisions related to and with regard to the selection of air carriers in the north will be bilateral through public hearings?

Mr. Pepin: It is my understanding that decisions made by the Canadian Transport Commission are made after public