
Government reduces airlift subsidy

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Many

Labrador communities on the south coast and in the Straits area won't be as reliant on a program to fly in food this year because of improvements to the highway and ferry systems, according to the provincial government.

But the Liberal opposition argue that the decision to reduce the airlift subsidy is an example of how the government is losing touch with Labrador.

Labrador Affairs Minister John Hickey said retailers won't need to use the air foodlift subsidy program as much "thanks to unprecedented investments in transportation infrastructure and services."

Hickey cited the addition of the MV Sir Robert Bond run between Corner Brook and Blanc Sablon, and the recent opening of Phase 3 of the Trans-Labrador Highway.

He stressed that the air subsidy program will still be available when needed — because of bad weather, for example.

The foodlift program helps retailers provide consumers with nutritious, perishable foods at a reasonable cost.

According to the government, the program is geared towards rural coastal communities in Labrador where regular road and marine transportation is non-existent in winter months.

Longtime service

Opposition Leader Yvonne Jones says she had recently contacted Hickey's staff on behalf of Labrador Strait Air, which was to provide airlift service, and was assured the subsidy would stay in place until the end of March.

"Businesses in my district made plans on the basis that this subsidy would be in place and certainly not suspended in mid-season," Jones said in a news release Monday. "Labrador Strait Air has

provided this service for 20 years, filled the gap and provided service when government would not. This company has already leased an airplane and was ready to provide this service again this year. The minister announced this change without any consultation with this business."

Under the program, a subsidy is paid to retail stores to offset the high cost of flying in perishable foods.

Retailers are required to pass the savings on to consumers.