

Federation of Agriculture that this price increase would further increase the cost of food production as a result of the increased cost of fuel and fertilizer, I should like to ask the minister if his department has made any calculation of the effect the ten cent excise tax on gasoline will have on the price of food?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the excise tax will not affect farm production because it will not apply, nor will the tax apply to diesel oil. The general rise in the price of gas and oil in the next year or so will have some effect, it is true, but because of the tax we succeeded in keeping the national single oil price in Canada at two-thirds of the international price.

Mr. Orlikow: A supplementary, Mr. Speaker. In view of the fact that the sharp increase in the cost of food has been particularly serious for senior citizens, has the minister given any consideration to increasing the old age pension to protect people who are in such need against the sharp increases in the cost of food that has taken place and will take place in the next year?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the increase reflected in the cost of living index, of course, will be reflected in the indexing of the old age pension.

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EXTERNAL AFFAIRS

ACTION BY GOVERNMENT TO SECURE PAYMENT TO MacLEOD FISHERIES BY RUSSIA FOR LOSS OF LOBSTER GEAR—REQUEST FOR LEGAL ASSISTANCE

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In view of the statement by the minister on November 5 that the loss of \$170,000 worth of deepsea lobster gear suffered on July 11, 1974 by MacLeod Fisheries Limited of Queen's county because of an action by Russian fishing trawlers is being pursued diligently with the Soviet Union, would the minister undertake to contact the Russians concerning this matter and endeavour to find out when the company can expect a financial settlement based on the 112 pages of information provided to the Russians by the company?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I hope to be seeing the Russian ambassador later in the week and I will consider raising this point.

Mr. Crouse: A supplementary question. In view of the request from the Russians to MacLeod Fisheries Limited for further information which requires legal expertise, would the minister make some of his legal staff available for this work? It is obvious that a small private company does not have the legal staff or financial resources to wage a legal battle with a foreign country.

Mr. MacEachen: Mr. Speaker, I will see if there is some way we can extend help.

Oral Questions

AIR TRANSPORT

DATE OF DECISION ON FARE INCREASES—APPEAL OF CANADIAN ASSOCIATION OF CONSUMERS

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I have a question for the Minister of Transport. Could the minister indicate to the House whether the government will make an announcement before the recess on its decision regarding the Canadian Association of Consumers appeal to cabinet on the recent air fare increases—in particular an announcement of an explanation by the minister regarding his request for the airlines to add restraint to the short-haul fares which have the effect of aggravating the cross-subsidization process whereby the western long-haul flights are supporting the Golden Triangle short-haul flights?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think the hon. gentleman knows that for the time being those matters are dealt with by a committee of the Canadian Transport Commission. I promised that in the new general policy, this is something we are going to look into. This is before the standing committee of the House. I hope that we are going to correct these situations.

● (1450)

Mr. Hnatyshyn: This matter is before the cabinet. This is the appeal by CAC. It has nothing to do with the policy. God forbid we have to wait that long. On April 28, in committee, the president of the CTC stated that their study into the operational efficiency of the airlines had not been completed due to the heavy workload of the commission as the government moved toward producing a transportation policy. Will the minister now give an undertaking to the House to provide the priority to the CTC so that this particular study can take place and not await this new transportation policy implementation which could take months or years?

Mr. Marchand (Langelier): Mr. Speaker, the hon. member knows very well that I cannot give this kind of an order to the CTC. I do not have the authority. Does the hon. member want to give it to me?

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NATIONAL DEFENCE

DATE OF DECISION ON SELECTION OF LONG-RANGE PATROL AIRCRAFT

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of National Defence. At a defence committee meeting on October 17, 1974, the minister assured us that a decision would be made on the final selection of the long-range patrol aircraft in April, May or June of this year. Can the minister inform the House if this decision has in fact been made and, if so, can he give us a general outline of the terms of the contract?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the decision has not been made. The matter is being fully considered by cabinet at the present time.