

Treasury Board's decision. I intend to make a request to Treasury Board, in an attempt to treat all parties fairly.

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TRANSPORT

PRINCE EDWARD ISLAND FERRY SERVICE—POSSIBILITY OF CHANGE IN RATES

Mr. David MacDonald (Egmont): Mr. Speaker, my question to the Minister of Transport relates to the suggestion that there might be some alteration of ferry rates to and from Prince Edward Island. Has the minister conferred with the government of Prince Edward Island and can he indicate if that government has agreed to possible changes in this regard?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the subject of proposed changes in ferry rates came up for discussion during the meeting I had with ministers of transport of the Atlantic region last week, and has been the subject of messages from those governments to myself, as well. They expressed reservations about increases. We asked them for opinions as to the nature of the increases, that is to say, which items would be least sensitive to increases. I have not received a firm expression of view from them on that matter.

Mr. MacDonald (Egmont): A supplementary question, Mr. Speaker. In view of the importance of the question, can the minister say if there will be any reference to the government's anti-inflation program in connection with possible changes, and consultation with the Department of Regional Economic Expansion, the department which signed recently the second phase of the development program for Prince Edward Island?

Mr. Lang: Mr. Speaker, the question of development in the region is of great importance to the government. I assure the hon. member that changes in rates will come fully within the guidelines and the spirit of the anti-inflation program. We specifically reserved for provincial and federal governments the right to make policy changes and the degree to which the general taxpayer shall pay for services, as distinct from the user of those services. There is an inflationary impact, no matter whether one considers increased taxes or increased rates. That is a policy matter and, at present, we have decided in favour of some increase in rates.

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EXTERNAL AFFAIRS

AGREEMENT WITH UNITED STATES ON COST-SHARING PROGRAM FOR ALASKA HIGHWAY

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is to the Secretary of State for External Affairs. I telephoned his office early this morning to give him notice of it. It is this: For some two or three years there have been discussions at the departmental or official level, between Canada and the United States, with respect to implementing a cost-sharing program for improving and paving the Alaska

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highway. Now that the United States has passed enabling legislation, will talks commence at the diplomatic level? If so, when may we expect some announcement about the implementation by the two countries of this program.

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. member for giving me notice of his question and wish to tell him that most of the outstanding problems between Canada and the United States with respect to that highway have been worked out. Presently, we are conducting discussions with the government of British Columbia on the right of way and environmental aspects of the project. These discussions are not completed but will be completed shortly.

We have under consideration the terms of an agreement with the United States by which that country will undertake the funding of the construction of the highway and Canada will undertake its maintenance and administration.

Mr. Nielsen: A supplementary question, Mr. Speaker. I wonder if the agreement contemplated between Canada and the United States in this regard will displace the 1949 agreement, in which the government of Canada undertook those responsibilities, and others, in maintaining the highway as a defence road.

Mr. MacEachen: Mr. Speaker, I would conclude, myself, that this would be a superseding agreement. I will check, to see in what particulars it differs from the preceding agreement, and whether the preceding one will still be in effect.

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CUSTOMS

DATE OF APPOINTMENT OF OFFICER AT RIVERPORT, NOVA SCOTIA

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, my question is for the Minister of National Revenue. Riverport, Nova Scotia, had in excess of 300 deepsea ships sailing from the port in 1975. Since the untimely passing last year of the resident customs official, the minister has been studying the amount of business emanating from this port, in order to determine the nature of the replacement required. I should like to know if these studies have been completed. If so, when can Nova Scotians expect the appointment of a full-time officer at Riverport, since the delay in the sailing of a large off-shore trawler for only one day would cause a loss to our national economy in excess of the wages paid for a year to one government official?

Hon. Jack Cullen (Minister of National Revenue): Mr. Speaker, the decision is imminent.