

advance. I raised the matter with him on May 2. It concerned the recent announcement of the railways concerning an increase of 34 per cent to be implemented in the next six months for Maritime potatoes, and the provision of new equipment. Has the minister conferred with the CNR or was he notified about the announcement to do with the replacement of reefer cars with 110,000 pound insulated boxcars, which are totally inappropriate to the needs of eastern producers? Can he explain why this announcement was made literally hours before the first meeting took place between his task force and representatives of the Prince Edward Island and New Brunswick potato industry?

● (1440)

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, Canadian National had indicated to me their belief that some of the insulated boxcars would be suitable equipment for moving potatoes and that compensatory rate requirements would lead to certain increases in rates, of 20 per cent and later, I think, 12 per cent. The increases will be imposed in two phases. It was intended that the notice of increase would give advance notice to potato shippers and also to have the increases on the table, since Canadian National intends to proceed with discussions with shippers and others on the subject of equipment and its availability.

JUSTIFICATION FOR PROVISION OF NEW EQUIPMENT TO TRANSPORT POTATOES—CONSULTATIONS WITH PRODUCERS

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. Since it took six months for the minister's committee to become operational in the consideration of this question, and since there is now to be an extensive study of equipment and costs in the next few months and a report is to be made to the minister I believe by the middle of August, can the minister say in what way the CNR was able to justify the provision of new equipment under those two subsidies, in September and January, when, as I understand it, there is no authority for this to take place? Second, was any determination made with the potato industry of New Brunswick or Prince Edward Island as to whether the equipment which is to be substituted will be adequate or effective, given the potato industry's great objections concerning the use of that equipment?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am not sure to what extent the objections relate to the rate increase rather than to the equipment. The equipment was used in different places previously. It was used to ship potatoes. The equipment Canadian National acquired is not new. By and large, this equipment was in use for the movement of other goods eastward, and it had not been used on the back haul. That meant that Canadian National could offer lower rates than would otherwise be required under the law, which requires rates to be compensatory. As I said, there have been informal probings concerning the suitability of the equipment, but the announcement of the rates and discussions which

are to follow are designed to look at that question more completely.

* * *

TELEGLOBE CANADA

REASON FOR REFUSAL OF COMPANY TO ARBITRATE STRIKE

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, since the Minister of Communications is not in the House and has been in France I think these past few days I direct my question to the acting Minister of Communications, whoever that may be. Why has Teleglobe refused to go to arbitration in the matter of the strike presently under way by members of the Canadian Overseas Telecommunications Union against Teleglobe? Was the strike among the reasons for the disappointing television coverage of the Jubilee events taking place on the other side of the Atlantic?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, in the absence of the minister I will take that question as notice.

Mr. Nowlan: A supplementary question, Mr. Speaker. I am glad to know who the acting Minister of Communications is—so long as he knows what he is. Since the minister has taken my previous question as notice, could he also draw to the minister's attention my supplementary representation, to prevent an unfortunate situation being further exacerbated? Since the present strike will expand rather than shrink unless certain questions are resolved, I suggest that government facilities, that is to say coastguard equipment and/or helicopters, should not be used to transfer supplies and/or personnel in certain areas in order to maintain some existing plants. I suggest this so that the government of Canada will not be involved in strike-breaking aimed against one of its own Crown corporations.

Mr. Gillespie: Mr. Speaker, I will be pleased to pass that representation on, too.

* * *

EXTERNAL AFFAIRS

PROPOSED REFINERY AT EASTPORT, MAINE—DISCUSSIONS WITH UNITED STATES ON RISK OF ENVIRONMENTAL DAMAGE

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, my question for the Secretary of State for External Affairs concerns the approval by the Main Board of Environmental Protection of a licence for the Pittson Refinery near Eastport, Maine. In light of the massive environmental threat that this operation poses to the Head Harbour Passage and neighbouring parts of the New Brunswick coastline and in light of the uncertainty that now exists as to whether the Canadian veto power over the project still applies in respect of international waters, will the minister immediately contact his U.S. counterpart to obtain binding legal assurances that no refinery will be