

Inquiries of the Ministry

any other companies being granted farm-out agreements by Panarctic Oil?

[Translation]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, in the normal course of business, it is customary for agreements to be reached with other companies whereby research projects are farmed out to them by contract. That is the kind of agreement Panarctic Oils Limited entered into with Imperial Oil Limited a few weeks ago.

[English]

Mr. Douglas: Mr. Speaker, in view of the fact there are some 600 million acres in the Arctic and only 55 million are under the control of Panarctic Oils, may I ask the minister why it is necessary to farm out any of that comparatively small area in relation to the total?

Mr. Speaker: Order, please. I regret to interrupt the hon. member, but it seems to me he might appreciate, with me, that asking the minister why it is necessary to take such and such an action involves a question which is essentially argumentative. The hon. member might like to ask the question in other terms.

Mr. Douglas: In addition to the farm-out to the Imperial Oil Company, is it the intention of the government to allow farm-outs to other companies and, if so, to what extent is the area now controlled by Panarctic going to be alienated?

[Translation]

Mr. Chrétien: Mr. Speaker, these decisions are made by Panarctic Oils Limited and not by the government, and as I said a few moments ago, it is a practice of the oil industry to subcontract the exploration of oil in certain areas. I must tell the hon. member that most Arctic islands are controlled by Panarctic Oils Limited. I do not believe that concluding such contracts with some companies will be detrimental to Panarctic.

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INQUIRY OF THE MINISTRY

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I would like to ask a very serious question to the Prime Minister.

I note that the former Minister of Communications has been given a seat at this end to the House. Is this to bring him closer to the Social Credit theories?

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[English]

TRANSPORT

FERRY RATE INCREASES IMPOSED BY CANADIAN NATIONAL RAILWAYS IN MARITIMES—GOVERNMENT ACTION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the Minister of

[Mr. Douglas.]

Transport. What action has he taken with regard to the outrageous increases announced by Canadian National Railways in his absence with regard to the CNR ferries operating between Newfoundland and the mainland and Prince Edward Island and the mainland?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, immediately on my return last night I issued instructions that the schedule was to be withdrawn in the case of the Newfoundland and Prince Edward Island services. The rate increases to which I have agreed will not exceed \$1 per adult, \$2 per automobile and \$1 per berth on the Newfoundland service and not more than 15 cents per passenger or 50 cents per car on the Prince Edward Island service.

Mr. McGrath: Mr. Speaker, may I ask the minister if he can assure the House that no further arbitrary increases will be announced by Canadian National or approved by the government without first consulting with the two provinces?

Mr. Jamieson: Yes, Mr. Speaker. In fact I am examining now the possibility of finding some mechanism through which such rate increases in the future can be submitted perhaps to the Canadian Transport Commission or some other agency so there can be an assessment of them in advance.

WOOD ISLAND-CARIBOU FERRY SERVICE—ACTION RESPECTING INCREASE IN RATES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to ask the Minister of Transport what action he proposes to take with regard to the doubling of the rates on the Wood Island-Caribou service, operated by Northumberland Ferries, because of the reduction in the subsidy by the federal government?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, it was not a reduction of subsidy. The subsidy figure is likely to be as high or higher than in the past. It was in an effort to prevent an increase in the subsidy. As the hon. member knows, the Canadian Transport Commission, unlike the Borden-Tormentine service, has authority in the case of the Wood Island service. I communicated with the chairman of the CTC this morning to advise him of the action that had been taken with regard to the ferries coming under my authority and he has indicated that his water commission will be meeting today to discuss what steps they might take.

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AGRICULTURE

SUGGESTED EGG BUYING PROGRAM BECAUSE OF DEPRESSED PRICES

Mr. R. E. McKinley (Huron): Mr. Speaker, my question is for the Minister of Agriculture. In view of the extremely depressed prices being received by egg producers, particularly in the provinces of Ontario and