

The adequacy of transportation facilities in the Atlantic region is essential to any major development programme and as an indication of the great importance which we place upon development of this region, we have planned a comprehensive review of its transportation problems.

This is being undertaken through a series of special studies, which are being organized by my Department in consultation with other interested Departments of Government. Because of the nature and extent of the review that is proposed, there will also be full consultation with the staff of both the Maritimes Transportation Board and the Atlantic Provinces Economic Council, to let them know what we are contemplating, and we fully intend that this consultative process will continue as the studies advance.

Among the questions which are being studied are -

1. The Maritimes Freight Rates Act, with particular reference to the general level of freight rates in the Atlantic region and those existing elsewhere in Canada.
2. The transportation problems of Prince Edward Island, not only as regards the railway position on the Island, but also the present and future position of the ferry services; the causeway project; and the desirability or otherwise of alternative or additional transportation developments in this connection.
3. We are making an extensive study of railway branch lines in Newfoundland, Nova Scotia and New Brunswick from the point of view of adequacy and value of the service provided to the communities involved, and the best method by which the necessary transportation facilities could be provided to these communities.
4. As a direct corollary to this, we are making as well an extensive review of the Newfoundland coastal shipping services from the same point of view.

Undoubtedly a number of the foregoing studies will lead us into consideration of road problems as well, which are primarily a provincial responsibility. To the extent that we find we must review these matters, we will be relying substantially on assistance from local sources, and we have been assured already of full co-operation in this regard from the two organizations mentioned above.

The foregoing list of studies will probably take us from six to twelve months to complete because of their size and importance, but as they are completed we hope to use the same trained staff to review a number of other Maritime problems, involving coastal shipping services, harbour and port facilities, specialized ferry services, and a number of individual projects (not all of which have been finally determined) which may or may not be desirable projects, but which have at one time or another been drawn to our attention, and at least merit review.

Needless to say, it is impossible to say at this particular time what the results of the studies will be, and what recommendations they may contain. When they have been considered by the Federal Government, however, you may rest assured that there will be appropriate consultation with provincial sources before any final decision is reached thereon, and that we will have as our objective the establishment of a proper basis of development within the Atlantic region.