

Supply

As most of us here know, there is the intra subsidy for the select territory and the western subsidy outside the select territory. But then listen to this, Mr. Speaker, in view of the answer the Minister gave me previously. I do not believe that the Minister was trying to deceive me; he may have been thinking about global figures, but my question was on Maritime freight rates and the concern about losing that. Here in his own impact study it says of the expenditures on MFRA and the new one, the Atlantic Regional Freight Assistance Act, the child of the parent:

—subsidies are estimated to become \$70-80 million by 1986/87—

I will not dwell too long on that topic because there are other things I wish to speak about, but when the Minister answered the question the other day by saying hundreds of millions of dollars, I was in such a state of shock that I really did not get back to him. I wanted to ask a supplementary question, which I did, and that is also how I will end my speech today. But the Minister's own impact study says \$70 million to \$80 million, and I hope that the Minister will have a chance to explain that.

● (1650)

Mr. Pepin: Mr. Speaker, I was referring to the totality, as Joe Clark would say, the totality of contribution which the federal Government makes to the Maritime Provinces. Hence the meaning. The maritime freight rate is but one part of it, and this arrangement which we have with the Maritime Government covers more than the Maritime freight rate. So I really think I was very honest.

Mr. Nowlan: Mr. Speaker, I did not take issue with the Minister the other day, and I know he was not deliberately trying to deceive, and I did not intend to give the impression today that he was deliberately trying to deceive, but he is so gosh darn plausible and pleasant in some of his answers that he gives the wrong impression. As far as I am concerned, I was not talking about the totality of the circumstances, or transportation of all the Atlantic Provinces. I was talking, as my question was properly framed, about the Maritime Freight Rates Act, my dear Minister, and his answer, which is what I am coming to in the second part, referred to the memorandum of understanding. He suggests that because I have been busy at other things I did not really understand what the memorandum was.

I will get to my second part after we get past the amounts involved, which is not hundreds of millions of dollars flowing into Atlantic Canada, certainly in freight rates assistance. I believe my friend has perhaps been oversaturated with hundreds of millions of dollars because he has been so involved with Crow. That is why I say we may get lost in the shuffle unless we speak loud and often on our concerns.

Let us go now to the memorandum of understanding and what the Minister said in his answer to me, that we do these things together. He suggested he had the support of two Ministers of Transport; one was perhaps a little negative and one was a little dubious about the terms of reference. I have in my hand, Mr. Speaker, copies of the letters from the four

Atlantic Ministers of Transport. I will read parts of the first one, which is dated March 29, 1983. My question, of course, was on May 9, so these letters were already there.

This letter is from the Hon. Mr. Giffin, the Minister of Transport for Nova Scotia. He says in his opening:

I am very concerned that Transport Canada has recently called for proposals to undertake an MFRA/ARFAA Industry Impact Analysis. My officials became aware of the proposed analysis when it was brought to their attention on February 10, 1983 by a consultant who had received the terms of reference.

He goes on to say in the second paragraph:

The main thrust of the January 1983 Memorandum of Understanding between our governments is one of joint strategic transportation planning. In the M.O.U. we agreed that:

"through cooperation better transportation facilities and services can be planned and provided for the Maritime Provinces".

Then he goes on to say:

If a study of this nature is to be done it should be undertaken if the provinces assist in determining the objectives and scope of the work and are given the opportunity to ensure that the consultants' work adequately satisfies the terms of reference.

In effect, there is the same message from the other three Ministers of Transport. The Minister of Transport for New Brunswick, the Hon. Mr. Bishop, said in a letter dated March 28, 1983:

Dear Mr. Pepin:

I was extremely concerned to learn recently that your Department has awarded a contract—

"Has awarded a contract". He did not phone them to ask them about it. Here is something so gosh darn fundamental in Atlantic Canada yet they read about it in the paper, and as one Minister said, they hear about it when a consultant comes into their office. This is completely defying the memorandum of understanding which the Minister referred me to in his answer that day in May when he said "We do things together". Not one of these letters said they did it together. They were informed after the fact.

Mr. Bishop points out in his letter:

I was extremely concerned to learn recently that your Department has awarded a contract for a study of freight subsidies paid under the Maritime Freight Rates Act and Atlantic Region Freight Assistance Act without permitting the traditional and appropriate involvement by provincial representatives.

That is as clear as it can be. There was one of this joint discussion, this co-operation, as in the memorandum of agreement which my hon. friend referred me to the day I asked him the question. I suppose he has been very busy on many things. However, certainly the answer he gave me in May, and I will repeat it, was:

The studies and review of the nature indicated by my hon. friend are the type of thing we try to do together—

Hosanna! We try to do it together, namely, attempt to spend as well as we can the hundreds of millions of dollars. I just quoted two letters saying it was not done together. Mr. Bishop, the Minister of Transport for New Brunswick, goes on to say:

I am further advised that my officials first became aware of the federal study when they received inquiries from consultants who had been asked to bid on it last month.