

As a matter of interest the capital costs of vessels now on that service add up to \$67 million. That is a very large figure. Proposed vessels for future improved service will involve an additional \$100 million. Existing terminals at Port aux Basques, Argentia and North Sydney cost \$53 million. Proposed improvements for terminals at Port aux Basques and North Sydney will involve future expenditures of another \$50 million.

As the hon. member for York West (Mr. Fleming) mentioned earlier, the tariffs charged for ferry crossings can in some way be compared with the costs of medicare or hospitalization premiums in that they are not related to the cost of providing the service. Certainly ferry services to Prince Edward Island and Newfoundland are not directly related to the cost. There is a considerable degree of subsidy in the operation of both services.

I think that users of services such as hospitalization or ferries would be more cognizant of the cost to the taxpayer if the rates represented 50, 25 or even 20 per cent of the actual cost, and were allowed to rise accordingly. If the costs to users increased by 25 cents, 50 cents or \$1 every year to cover fuel costs, or operating costs of medicare, for example, they would be more appreciative of the growing costs of governmental services.

Newfoundland Ferry Service

I might point out that the rates for this particular ferry service have not increased in the last year. I say quite frankly to the hon. member who proposed the motion that when these rates are looked at, they will more than likely be revised upwards rather than downwards.

In fairness, if we look at the increases in operating costs, fuel, labour and so on, to provide these services, somewhere along the line we have to decide at what level to peg the subsidy, and what priority must be given to ferry service as opposed to the renewal of rail lines required for transportation in western Canada, a federal commitment of some years ago, and to port facilities on the west coast, another government commitment. Somewhere along the line there has to be an element of balance and rationalization with regard to expenditures to be made in the next few years. There is not much time left when we consider some of the freight that has to be moved.

When we look at the broad picture of transportation and the needs this country will face in the next 10 or 15 years, they make the problems of the last 100 years look small by comparison.

The Acting Speaker (Mrs. Morin): Order, please. The hour allotted for private members' business has now expired. It being five o'clock this House stands adjourned until Tuesday at 2 p.m.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.