[English]

An hon. Member: You know there is; you are the Minister of Transport.

**Mr. Marchand (Langelier):** Mr. Speaker, perhaps hon. members would listen for just a minute. An hon. member suggests that everybody knows there is discrimination. The provinces insisted on receiving this information. If they knew the facts, I do not know why they would insist on that. They have the information now and they can pass judgment and use the figures in order to support their argument, if they think there is discrimination.

### [Translation]

# ATLANTIC PROVINCES—DISCONTINUANCE BY RAILWAYS OF LCL FREIGHT RATES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to put a question to the Minister of Transport.

We hear that the railway companies have decided to drop on February 15 the special rates on less than a carload of goods. The minister has received representations from his Liberal friends and others, and he has promised an investigation. Could he inform the House on this most urgent matter?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I regret but I did not understand very well everything the hon. Leader of the Opposition has said, except the first part and I do apologize. Could he repeat it?

#### [English]

**Mr. Stanfield:** Mr. Speaker, I am sorry the minister is not completely bilingual.

#### Some hon. Members: Oh, oh!

**Mr. Stanfield:** The railways are dropping "less than car load" freight rates in the Atlantic provinces on Saturday, February 15. The Minister has received representations from both sides of the House, as well as from all parts of the Atlantic provinces, asking him to look into this matter. He has promised to do so and report back. Has he any information to give the House in this regard?

#### [Translation]

**Mr. Marchand (Langelier):** Mr. Speaker, since the Leader of the Opposition is perfectly bilingual, I can give him an answer in French.

There were discussions with the provinces of New Brunswick, Nova Scotia and Prince Edward Island, between the railways, the provinces and the people concerned on special rates, particularly on the so-called LCL rates. There was virtually perfect agreement with these three provinces. I received a telegram of protest from Newfoundland minister Rousseau; he seemed to be unsatisfied, but unfortunately there had not yet been any discussions with him. They are now underway and I have every reason to believe that there will also be an agreement in this case and that the province of Newfoundland will also be satisfied with the changes made, and that we will also be satisfied with the rates which will have been established.

## Oral Questions

#### THE CANADIAN ECONOMY

#### REASONS FOR HIGH LEVEL OF INFLATION

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, in view of what seems to be the steadily worsening position of labour relative to corporations, as illustrated by the decline in labour's share of the net national income from 73.8 per cent in 1970 to 69.1 per cent in the third quarter of 1974, and the increase in corporation profits from 11.5 per cent in 1970 to 17.6 per cent in the third quarter of 1974—

Some hon. Members: Order.

**Mr. Speaker:** Order, please. If the hon. member has a question, perhaps he would put it.

**Mr. Hogan:** Mr. Speaker, would the minister give the House his reasoning in claiming that the major driving force behind inflation is coming from the rapid escalation in wage and salary costs?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I will send the hon. gentleman my full speech. When read in its full context, as it already has been by leaders of the labour movement, it did not prove offensive to them.

**Mr. Hogan:** Mr. Speaker, is the minister now saying that the increase in wages and salaries is not the major force behind our present inflation and, if so, what in his opinion is the major force behind inflation?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I will send that speech by special delivery.

Some hon. Members: Oh, oh!

#### **EXTERNAL AFFAIRS**

TRANSPORTATION TECHNOLOGY IN CANADA—AVAILABILITY OF INFORMATION TO UNITED STATES CIA

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, the Secretary of State for External Affairs has informed me that he has investigated the matter of the contract solicitation of the American Central Intelligence Agency for information about transportation technology. Could the minister make a report to the House at this time?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, I do have some information. If hon. members will bear with me, I should like to inform the House that I have been assured there is no intention of having a study of a secret character carried out of any western country. Moreover, no contract has been or will be let for a study devoted to advanced transportation technology in Canada. There may be reference to Canadian developments in this field in a more general study but, as I pointed out in the House earlier, this will