

*Supply*

**Mr. Stevens:** Good idea! When will you go back? You will do less harm.

**Mr. Pepin:** Are you serious about that? I am just trying to understand the impact of that interruption. I do not think it is funny, that's all. If the hon. member has a joke to make, he should make it on himself.

● (1700)

Coming back to the serious subject of user-pay, I was saying that I did not want to be committed firmly in favour of it or of the other. I think one cannot be. There are different circumstances which need different treatment.

With respect to Prince Rupert, I came in with an inherited situation. One of my predecessors twice removed appeared to want to implement a cost recovery approach. My predecessor once removed had given the impression that he did not want to do that but wanted the whole thing to be given a grant. That is the impression he gave, at least in western Canada. Having looked at it, having looked at the viability of this terminal and having looked also at the precedents elsewhere in matters of grain and other commodities, it seemed to me that there was room for give and take. It seemed to me that this project, Ridley Island, being a viable one—otherwise people would not go into it—deserved to be supported by way of a grant, and the amount of money involved is \$22 million. However, at the same time it seemed to me the consortium could pay back by way of cost recovery the price of the wharf.

This has been done. I must say that the consortium was not too surprised when I took that approach. Maybe they expected it.

**Mr. Mazankowski:** It was part of the agreement.

**Mr. Pepin:** It was part of the agreement. I am delighted to hear it now. I am very pleased to hear it, as a matter of fact, because in many places on the west coast I am considered to be—I will not use the word—

**Mr. Orlikow:** It's true. Use it.

**Mr. Pepin:** —because I was not as generous as my immediate predecessor was. We are told now that he would have done the same thing I did, so why should I be seen as unsympathetic to western Canada because of the Prince Rupert case when my immediate predecessor has just said or appeared to be saying that he would have done the same thing I have done?

**Mr. Blenkarn:** You should have gone out there and said you were going to do the same thing in the first place.

**Mr. Pepin:** Well, I did not know.

**Mr. Blenkarn:** You could have talked to him.

**Mr. Pepin:** This was not common knowledge, and that is rather important.

**Mr. Blenkarn:** You should have talked about it.

**Mr. Pepin:** That is rather important.

**The Deputy Chairman:** Order, please. I might entertain the conversation later, but right now the hon. member for Vegreville is questioning the minister.

**Mr. Mazankowski:** I wish the minister would get around to responding to my questions direct. He has gone into a long discussion of Prince Rupert. My question did not pertain to Prince Rupert; it only arose as an example. Quite frankly, the fact is, as the minister has now indicated, that the memorandum of understanding and the press release are consistent with the agreement which has now been put in place, and I am glad that the minister has now reviewed it to the extent he has and understands it.

While the minister is responding to the question of cost recovery with respect to the coast guard and as to whether he is planning an increase in landing fees and user charges with respect to airports or an increase in an airport transportation tax, I might also ask the minister to comment on what his plans are with respect to the future of the grain transportation co-ordinator. Is the minister planning any changes with respect to the terms of reference? Is he planning to bring in legislation? Can he give the House the assurance that the present grain transportation co-ordinator, Dr. Horner, will remain in that position?

If the minister answers those questions, I might have some more questions to pose to him.

**Mr. Pepin:** Mr. Chairman, I am doing my very best to go at this very rapidly. I was trying to say that, to me, cost recovery or user-pay is not a point of philosophy. It is a practical thing, and each case must be assessed on its own merit. Is that clear? So, when it comes to the seaway, we have now implemented the third tolls increase on the seaway, and these lead to full cost recovery. When it comes to air fees, there will be a discussion with the companies in order to come to conclusions on that.

On the marine side it is more complex. It is more difficult to take a cost recovery approach, so again it will depend on circumstances and on the ability of the clients to pay back. However, as a general proposition I think that the idea is to try to recover as much as the circumstances permit. Why? Simply because with the money recovered great new things can be done. In view of the limitations of the Queen's purse, whenever we can get money from services duly rendered, I think it should be encouraged; but again I do not want to be tied to a philosophical approach to that, each case having specific circumstances.

On the subject of Dr. Horner, the grain co-ordinator, I have met with him a couple of times. We got along fine, and I approve 100 per cent the purpose at hand. The discussion was as to whether he needs more powers, whether his activities should be structured and incorporated in laws, and matters of that kind. I think we agreed that it is too early to say and that he will move seriatim, progressively, to find out what he needs as far as powers are concerned. If the powers that the minister can delegate to him are sufficient, so much the better, but we