

ment policy of the government are all such as to mitigate the effects of high interest rates on less favoured people and on less favoured regions of the country. I should have thought that he would be congratulating the government on the initiative that it has taken in that regard.

**Hon. Royce Frith (Deputy Leader of the Opposition):** Is that not the way in which you always answered the question, Senator Olson? Is that not the same answer you used to give Senator Murray when he asked the same question?

**Senator Olson:** No, it is not, because I always expressed a view on the monetary policy of the government, too. I noticed that the Leader of the Government carefully, or deliberately, refrained from commenting on whether this is the monetary policy of the government.

**Senator Frith:** Good point!

**Senator Olson:** I take it, then, that the government has no monetary policy, or that it agrees with what the Governor of the Bank of Canada is doing.

**Senator Murray:** The honourable senator is familiar, I presume, with the legislation governing the Bank of Canada and its relationship with the government. If there had been any question of disagreement on a policy matter as between the government and the Governor of the Bank of Canada, he would have heard about it by now.

**Senator Olson:** May I ask whether he has heard about it by now? Has the Governor of the Bank of Canada heard from the government with respect to the largest increase in the bank rate in the last three and a half years?

**Senator Murray:** Honourable senators, I can assure Senator Olson that the government has certainly not taken the kind of drastic action provided for under the legislation. He will be aware of the undoubted economic progress we have made in the last three and a half years and the serious threat to that progress that would be posed by any refuelling of inflation in Canada. And while I do not make their sentiments necessarily my own, Senator Olson will have seen the statements attributed to responsible business leaders in this country that the recent Ontario budget has made quite a significant contribution to the inflationary threat to this country.

**Senator Olson:** On the road to Damascus!

## TRANSPORT

### PRINCE EDWARD ISLAND—CONSULTATIONS ON DESIGN OF FERRY—RELOCATION OF TERMINAL

**Hon. M. Lorne Bonnell:** Honourable senators, I was pleased to see that on Friday, May 27, 1988, when the Minister of Transport was in Prince Edward Island, he boarded a ferry at Wood Island, Caribou. I was also pleased to hear his announcement that the government would spend \$45 million on the acquisition of a new ferry and on the construction of wharves in that area of Prince Edward Island. It makes me think that an election is coming up in the fall or the spring,

[Senator Murray.]

because the improvements to the ferry system are not supposed to be made until 1990 or 1991.

● (1410)

**Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations):** They have to start building it, you know.

**Senator Bonnell:** Yes, we understand that.

Would the Leader of the Government in the Senate tell us if the good people of Prince Edward Island will be consulted on the planning and architectural design of these ferries? The people of Prince Edward Island would know what would best suit them for logging transportation to New Glasgow and Pictou and the transportation of potatoes from the eastern part of the province. They would know the type of ferry that would best suit that part of the country.

**Senator Murray:** Honourable senators, I shall inquire of my colleague, Mr. Bouchard, the Minister of Transport, what consultations he may be undertaking in that respect.

**Senator Bonnell:** Honourable senators, I note that \$15 million of that money is to be used for the construction of a new terminal. Apparently a two-level ferry is to be built that will accommodate 150 cars and trucks. The present ferry has only one level and uses a single level loading dock; hence the new terminal.

Would the Leader of the Government in the Senate ask the Minister of Transport to consider changing one of the terminals from Caribou to Caribou Gully? If the terminal were located at Caribou Gully, that would cut off a distance of four-and-a-half kilometres and would allow the ferry travelling from Prince Edward Island to Nova Scotia to make the trip in 45 minutes rather than one-and-a-half hours. Consequently, that same ferry, being able to travel back and forth much more quickly, could make twice as many trips per day and would not have to travel through the narrows, which have to be dredged every year. Assuming a new terminal is to be built, would the Leader of the Government ask the minister to consider moving it to Caribou Gully?

**Senator Murray:** Honourable senators, I shall certainly draw those representations to Mr. Bouchard's attention.

## CORRECTIONAL SERVICE OF CANADA

### RESIGNATION OF COMMISSIONER AND DEPUTY COMMISSIONER

**Hon. Earl A. Hastings:** Honourable senators, I should like to ask a question of the Leader of the Government in the Senate. I appreciate that he will have to take it as notice, but I would be grateful if he could prioritize it, because it has importance for all officers of the Correctional Service of Canada.

In the last two weeks there have been two resignations from the Correctional Service of Canada: that of Mr. Rhéal LeBlanc, Commissioner, Correctional Service Canada; and that of Mr. Gordon Pinder, Deputy Commissioner, Correctional Service Canada and Director of Program Training. These