

point in Prince Edward Island's fisheries development with the catch that year exceeding 100 million pounds, double the normal harvest, and worth a record \$11 million to the fishermen. The catch and landed value dipped slightly from that mark in 1971, but preliminary figures indicate that the 1972 catch will again be worth more than \$10 million. Lobsters are, of course, the island's most valuable fishery resource, with a landed value estimated at \$6.3 million in 1972.

During the current fiscal year, approximately \$100,000 has been allocated by the federal government toward shared-cost, federal-provincial projects aimed at extending and modernizing the fishing industry in Prince Edward Island. Approximately the same amount was allocated in 1971. These projects include the technical upgrading of fishermen to improve their efficiency, various types of exploratory fishing, and demonstration programs of new fishing methods and gear such as oyster rakes, otter boards, power blocks for use on small vessels, hydraulic-bar clam dredges and refrigeration aboard inshore boats.

• (1530)

Considerable attention has been devoted to developing the island's oyster industry, and during the past summer a new oyster leasing policy was introduced covering the entire maritime provinces. It is anticipated that the changes will substantially increase oyster production and will improve management by encouraging large lease holdings and the formation of small companies or co-operative fishing associations.

The opening of a new school of fisheries at Summerside, Prince Edward Island, last fall reflects the importance which the provincial government places on the development of the island's fishing industry and the need to keep its fishermen abreast of modern techniques and technology.

I was pleased the other day to hear my colleague, the Minister of the Environment and Minister of Fisheries (Mr. Davis), talk about new legislation that will provide financial assistance to small inshore fishermen who require ice-making, ice storage and fish-chilling facilities. As the minister pointed out in his speech, this legislation will be particularly helpful to the disadvantaged parts of the country. I was happy to hear the minister say that as a result of this new legislation the earnings of all our inshore fishermen should be increased by about 30 per cent. That indeed is very good news to the inshore fishermen.

My remarks about some of the issues pertaining to Prince Edward Island would not be complete without a word on transportation. We islanders are blessed with many advantages that mainlanders may not know about, but transportation in general and transportation costs are still problems that we have to face on a daily basis. Some progress is being made in that regard, but much remains to be done.

With regard to freight rates, I am particularly pleased that this government has announced its intention to meet with provincial governments to examine the impact of freight rates on economic development and consumer prices. While I do not believe that lower freight rates are

*The Address—Mr. D. J. MacDonald*

the complete answer to the transportation problem of the Atlantic provinces, I do believe positive action must be taken to ensure economic transportation access to markets in central Canada for Atlantic provinces producers. I am encouraged by the co-operative attitude of the railways with whom the Minister of Transport (Mr. Marchand) has discussed this matter. Also, a closer interfacing with DREE is now envisaged and will help.

I am aware of the large amount of subsidy money, about \$20 million per year, already contributed directly to transportation movements by road and rail under the Maritime Freight Rates Act and the Atlantic Region Freight Assistance Act. I am pleased to note the activities of the federal-provincial committee on Atlantic region transportation, working in co-operation with the Atlantic provinces transportation commission, to find more effective ways of spending this subsidy money, currently disbursed on a blanket basis for almost all commodity movements within and from the Atlantic provinces. I hope this work will help to provide some indication of how the over-all moneys might be channelled into more effectively solving this particular problem, that is, maintaining access to the eastern markets and offsetting transportation costs which are most disadvantageous to our region.

Another particular concern of my province is that of the future of the rail car fleet for moving potatoes. Within the next few years this fleet will be due for replacement. The impact of such replacement on rates for moving potatoes could be quite dramatic. This is a matter which might well be an item for discussion in the upcoming federal-provincial meeting on consumer prices. I am aware that the solution need not lie exclusively in the rail mode.

In so far as the ferry services to Prince Edward Island from the mainland are concerned, particularly with respect to the centennial year, I am pleased to note that plans have been implemented that should provide a service that will have even more increased capacity than P.E.I. enjoyed this past summer. In fact, in the planning a traffic increase of 17 per cent was used, to allow a sufficient margin for such an important event as the P.E.I. centennial celebration. To meet the projected demand, MV *Lucy Maud Montgomery* will be taken from the Newfoundland service and added to last year's fleet on the Borden-Cape Tormentine route.

**Mr. Marshall:** Watch it.

**Mr. MacDonald (Cardigan):** I thank the hon. member for his vote. Additionally, capacity was increased on the Wood Islands-Caribou service by 50 per cent by adding the new ferry, MV *Prince Edward*, in November, 1972. With these additions, I believe the previous high standard of service that was established in 1972 will be not only maintained but enhanced.

I would now like to say a few words about my own department. Having been elected Member of Parliament for Cardigan, I came to Ottawa, like any other freshman MP, ready to tackle the job. Needless to say, I was pleased, surprised and honoured when the Prime Minister (Mr. Trudeau) asked me to become Minister of Veterans Affairs. As hon. members may know, I have had a very close relationship with the department for a good number of years, and I believe I had a fair knowledge of the