

Maritime Code

Mr. Nowlan: People wonder how many of those fundamental promises to do with transportation have been implemented since the majority government was formed after that unfortunate event of July 8, 1974. How can the minister and the parliamentary secretary expect Canadians to go along hand in hand down their rose petal-strewn path of assurances and guarantees? People are suspicious.

Let me now talk about specific provisions of the bill. What bothers me is that the minister and his officials in the gallery are looking at this bill in terms of what it will do to shipowners and unions running the ships rather than in terms of the potential it could have for developing industry in areas of the country which very much need industry. In the opinion of many this bill will adversely affect the development of our industry.

The minister has talked much of the user-pay concept as applied to transportation. But Bill C-61 sort of leaves behind the user-pay concept with respect to the burden being imposed on the shipper and the public, which nobody wants.

Bill C-61 also contains a fundamental paradox. Instead of expanding competition in the marine trade and the trade along our coasts, it will actually restrict competition because certain provisions are to be restricted to Canadian bottoms and Canadian sailors. Perhaps the government has in mind a laudable object. But will the attainment of that object increase competition? Competition, after all, is the anchor or keystone of the National Transportation Act. In his speech the minister glossed over two fundamental paradoxes involving the user-pay concept. It has been completely ignored in Bill C-61.

All speeches by members on this side today, in committee and on second reading, clearly set out that if you restrict the movement of goods along our coasts to ships with Canadian bottoms and Canadian crews, no matter how laudatory that may be, you obviously restrict the competitive factor which is so important not only in setting competitive rates at sea but in maintaining some balance of rail rates on shipments between our coasts and inland. The hon. member for Capilano (Mr. Huntington) and the hon. member for Carleton-Charlotte (Mr. McCain) amplified those concerns earlier today.

● (2110)

The hon. member for Carleton-Charlotte asked why, after all these years, we are moving in this new area without a cost benefit study to tell us as members, and the Canadian public, how Canadians will benefit by restricting coastal traffic to Canadian bottoms.

If the Conservatives had been in power as long as this government, with all the cobwebs hanging from its ears, and had done all the surveys, research, and reviews of surveys, we would be subject to the same legitimate complaint. The government is renowned for studies, task forces, reviews of studies, but there has not been a cost benefit study to give us some indication of the economic impact, good or bad, on what will happen in the coastal areas of our country, let alone the marine industry, by restricting coastal trade to Canadian bottoms.

Before being elected to this institution, many years ago I practised law. I have not practised since being elected. However, when you could not prove anything beyond a

reasonable doubt or even a preponderance of evidence—if the hard evidence was not there—you had to draw inferences from some of the facts that were given. The only inference I can draw from this glaring omission is something that is fundamental to a meaningful consideration of Bill C-61, namely, a cost-benefit study of how many ships will be built in Canadian yards as a result of this bill. How many Canadian sailors will ship out on Canadian bottoms as a result of this bill? As the hon. member for Capilano and the hon. member for Carleton-Charlotte said, the fact that there is not a report leads one to infer that it will not confirm some of the generalities that had been expressed on the other side, namely, that the passage of Bill C-61 will open up a new day for Canadians along our coast and for those serving on Canadian ships. Otherwise there should have been a survey. With all the time spent thus far, and there is still time to do it, it is almost beyond comprehension that there has not been that type of study.

I am amazed there has not been such a study because many stories circulate. The Secretary of State for External Affairs (Mr. MacEachen) is not in the Chamber this evening. However, I am sure he saw the article in the *Chronicle-Herald* of June 2 which states the province of Nova Scotia may be losing 2,200 jobs involved in a \$700 million deal because of the potential of Bill C-61 becoming law. I would like an answer with regard to this story from the Parliamentary Secretary to the Minister of Transport, the Minister of Transport, or the Secretary of State for External Affairs because this is right in his own backyard. I will not read the whole article, but simply the highlights. It was written by Ian Thompson, the transportation reporter of the Halifax *Chronicle-Herald*. I quote:

It would appear Nova Scotia has lost a planned \$700 million iron ore processing mill planned for either the Strait of Canso or Garbarus Bay because of proposed amendments to the Canada Shipping Act.

The plant would have directly employed 2,200 and initially would have used 200,000 tons of Cape Breton coal a year.

As I said, this is right in the backyard of the Secretary of State for External Affairs. He should be called upon to explain whether this front page headline story in the June 2 *Chronicle-Herald* is just a frivolous report. This type of story certainly deserves some explanation.

If there is any credence at all to that story, the potential loss of the 2,200 jobs will more than offset any potential jobs in the merchant marine for Canadians serving in Canadian bottoms as a result of Bill C-61. What kind of set-off is it to give the monopoly to Canadian bottoms on the coast, with the higher traffic charges, when there has not been a scintilla of evidence either today, on second reading, or in committee, to show how many jobs will be created by the Canadian merchant marine if the bill is passed?

This headline story states unequivocally that P. E. Kavanagh, one of the right-hand men of Cyrus Eaton, was prepared to go into this type of development but changed his mind because of the potential adverse effect of Bill C-61. That is pretty close to the core of Atlantic Canada, which does not have that type of industry at the best of times, let alone the bad times we are now experiencing. Therefore he should receive an explanation from the government as to the credence to be placed in that story before we proceed further with this bill.