

flag ships or to subsidize Canadian flag ships. The subsidy threatens to interfere with the Canadian policy of maintaining a freely competitive field for shipping. Subsidized American ships on the Great Lakes will be calling at Canadian ports, participating in the movement of Canadian cargo. The Maritime Administration fact-sheet called attention to the point that there would be "a substantial amount of cargo available at Canadian ports in addition to cargo moving through United States ports on the Great Lakes".

There is the further prospect that a considerable volume of goods produced for export by Canadian factories controlled by American firms will be directed to American ships.

Talk about controls! This means that goods produced by Canadian subsidiaries of American companies will be carried on American ships.

These factors might reduce by more than 50 per cent the calls of other foreign flag vessels at Canadian ports west of Montreal and nullify many of the benefits of the Canadian open-sea policy.

Aside from the extortionate rates which dominant carriers tend to charge, such American domination of Great Lakes shipping would add to the present dangerous imbalance of Canadian trade. Shipping services are an export by the country rendering them. Subsidized American shipping lines on the Great Lakes would be another subsidized American export to Canada, which is already struggling with a \$1,000,000,000 imbalance in its trade with the United States. On the contrary, the use of other foreign ships to pick up cargo puts Canadian dollars into their hands and brightens the prospects for Canadian trade.

That is the position we find ourselves in with respect to this great St. Lawrence seaway. All the time and money we will have spent on it will be chiefly for the benefit of that great country to the south of us. I for one have been doubtful about the course that we have been taking in some of these undertakings.

Honourable senators, I have talked at much greater length than I had intended, but before concluding I do want to make some comments about the preliminary report of the Royal Commission on Canada's Economic Prospects. I do not understand the Minister of Trade and Commerce as suggesting that the adoption of certain recommendations in the report would seriously affect the Wheat Board, and I do not wish that anything would. I would like to read from paragraph 6 on page 32 of the report:

It seems to be desirable to give the farmers, in advance, as much information as possible not only on price (as is done now), but also on the quantities of wheat which can probably be accepted by the board, and paid for, in the coming year. The quantity in any year will depend upon the stocks on hand in relation to off-farm storage capacity; and the expected disposal of wheat in both the domestic and foreign markets. The board should be able to appraise these two factors and to arrive at an informed estimate of the quantity which it would be possible to move off farms in the next marketing year. The announced initial price would apply to this quantity. Such a procedure under which both price and quantity would be announced in advance should be of some advantage to wheat producers. As we have pointed

out, under the present arrangements the producer does not know in advance the quantity on which the minimum price will be paid during a given year. While he has an assured price, he has no assurance of a minimum income. If the board were required to pay the minimum price on the quantity they estimated could be moved off farms, this would assure the producer of a minimum income, except in the event of a small crop. In times of surplus, such a procedure could exert a corrective influence.

For the life of me I cannot see how it would be difficult for or would ruin the Wheat Board. It would be of some advantage to the farmer to have some idea of how much income he would be able to receive. I cannot see that it would be any different from lending him money; in fact, it would be more realistic. Also, if in future years the farmer were fortunate enough to have a good crop, and year after year the quota was placed very low, it might well influence farmers to turn to raising livestock or to some other branch of farming. As the report states, it could exert a corrective influence, and I fail to see what damage could be done.

Honourable senators, I think I have detained you long enough.

On motion of Hon. Mr. Pouliot, the debate was adjourned.

PRIVATE BILLS

ALASKA-YUKON PIPELINES LTD.—COMMITTEE AMENDMENT CONCURRED IN

The Senate proceeded to consideration of the amendment made by the Standing Committee on Transport and Communications to Bill P-1, an Act to incorporate Alaska-Yukon Pipelines Ltd.

Hon. A. K. Hugessen, Chairman of the Committee, moved that the amendment be concurred in.

He said: Honourable senators, this is a minor amendment, but perhaps I should give a word of explanation about it. The only amendment to this bill was put in at the request of the applicants, and it slightly extended the area in which we authorized them to carry on their operations by permitting them to carry on business in the provinces of Alberta and British Columbia. Generally speaking, the committee felt that it did not really matter very much whether we gave these companies the right to carry on business in an extended area or not, because when they actually come to construct their line they will have to satisfy the Board of Transport Commissioners as to the necessity of putting in a line, in any event.

The motion was agreed to, and the amendment was concurred in.