I made that point, although it was rather an unpopular one, to many of my constituents during the emergency debate on the St. Lawrence seaway tolls—the national policy is not complete, because the Atlantic aspects of it are left out in the cold. I should like to express my doubts to the Minister of Transport and the Minister without Portfolio to the government, to the house and to the country as a whole.

I wish to deal briefly with one point and then get to the meat of my remarks. The port of Halifax commission has suggested to the minister I am sure over and over again that the only formula which can solve the problem I have just mentioned is to equalize the cost to the shipper of transportation between all Atlantic ports and the St. Lawrence ports. To carry out these purposes, I suggest that the Leader of the Opposition made a very sensible observation some weeks ago when he suggested that a high speed railway line be built diagonally across the province of New Brunswick. This should improve things for the ports of Halifax, Saint John and other maritime centres, as well as Newfoundland, and feed products into central Canada by a shortened and faster route.

The second problem has to do with the manufacturing business in Canada itself. Here I am going to present the results of two very thoughtful studies carried out by Professor Roy E. George of Dalhousie University, a man with experience as an area manager in the British coal Industry before coming to this country. He was a professor at St. Mary's University in Halifax before going to Dalhousie University. Professor George also has been commissioned to do special studies on Atlantic problems for various bodies. His points are germane to the problems of transportation.

Professor George's first study concerned the elements of costing of firms if they established in Atlantic Canada as opposed to firms established in central Canada. His findings have equal relevance, I suggest, to the prairie provinces because he was equating operations in central Canada against those on the periphery of the country. Instead of tackling this in a very theoretical way, Professor George tackled it in this manner. He found there were 27 firms which had manufacturing plants both in Nova Scotia and either Ontario or Quebec. This was in the year 1962. He wrote a series of communications to these firms to find out whether or not they would be interested in taking part in his study. Eighteen of those firms, or exactly two-thirds, replied that they were interested. So he proceeded, either by questionnaire or by seeing their executives directly, to ask questions so as to compare the various elements of costing.

I might say for the benefit of the minister that if he is not familiar with this study—and if he is not I will be pleased to provide it for him or any official in his department—that there were a number of factors involved such as labour, productivity, cost of the material, and other items; but for the purpose of this debate I shall confine myself to the study which relates to transportation. Of the 18 firms which co-operated in the study the breakdown is as follows: In the food group, two; in the metal group, five; in the chemical group, six; and in the miscellaneous group, five, making a total of 18. The value of their output per annum was as follows: In the food group, $1,500,000; in the metal group, $5,-900,000; in the chemical group, $72,200,000; in the miscellaneous, $8,400,000 or a total of $88 million.

Of the various questions Professor George asked, one asked for the cost of materials to Nova Scotia factories as percentages of cost of similar materials in Ontario or Quebec. I repeat that here his figures were obtained from companies which had factories in Nova Scotia, Ontario and Quebec. The cost of materials to the food group was 105 per cent, to the metal group 104 per cent, to the chemical group 104 per cent and to the miscellaneous group 100 per cent. In respect of all firms the average cost of material to Nova Scotia factories as compared to factories in central Canada amounted to 102 per cent. You will notice, of course, the disparity.

Then he asked for the transportation cost in supplying all existing markets entirely from Nova Scotia, expressed as a percentage of the cost of supplying entirely from Ontario or Quebec. Perhaps the minister could cease his conversation long enough to listen to these, Mr. Speaker. These are the transportation costs involved in supplying all existing markets from Nova Scotia, expressed as a percentage of the cost involved in supplying entirely from Ontario or Quebec. In the food group it was 125 per cent, in the metal group 160 per cent, in the chemical group 141 per cent, and in the miscellaneous group 103 per cent or, for all firms, an average of 125 per cent.

Professor George makes this observation:

Taking all the firms together, had all existing markets been supplied from Nova Scotia, trans-