

*Shipping Conferences Exemption Act*

would not again develop. The restrictive Trade Practices Commission is well versed in the policing of regulations. With this change, that commission could again police these regulations and review the situation in six months.

**Mr. Robert McCleave (Halifax-East Hants):** Mr. Speaker, I am happy to rise in support of the amendment submitted by the member for Crowfoot (Mr. Horner). For indeed, it was agreed between us that I would second his amendment, but the hon. member for Edmonton East (Mr. Skoreyko) weighed in first.

The reason I support the amendment is that it would put more light on one of life's great mysteries involving ocean shipping rates, particularly that mystery to people of the ports of Saint John and Halifax. For some two dozen or three dozen years, the people there have found that the rates between their ports, admittedly at the eastern end of Canada, to United Kingdom ports have been the same as the rates between ports from Montreal and east on the St. Lawrence River to the same United Kingdom ports. This is a mystery because there is, or at least one would think, a several hundred mile geographic advantage to shippers in Halifax and Saint John. This supposed advantage means nothing to the four dozen odd shipping conferences. It is ephemeral and an illusion. It does not mean a hill of economic beans.

● (4:50 p.m.)

At one time when the Restrictive Trade Practices Commission held its inquiry into the ocean conference rates and practices, the executive secretary of the port of Halifax commission, Mr. Ray March, used this language. I am quoting from the submission to the Commission of Inquiry dated October 2, 1963. It might be noted parenthetically, by the way, that Mr. March is now with the Canadian Transport Commission. He wrote this:

Because of this shorter distance between Halifax and the United Kingdom, we understand that a steamship line serving this route can make one extra round-trip voyage in a three month period than it could if it were trading between Montreal and the United Kingdom. Yet this advantage is not reflected in ocean rates.

Well, we do indeed have a mystery. In order to get the exact distances on the record perhaps it should be noted that according to the Canadian Ports and Seaway Directory, the distance from Halifax to Liverpool is 2,441 nautical miles. The distance from Montreal to Liverpool is 2,755 nautical miles. The distance from Halifax to London is 2,718

[Mr. Skoberg.]

nautical miles and from Montreal to London the distance is 3,094 nautical miles. In each case, the difference is approximately 300 nautical miles.

Well, sir, I tried to track down the mystery concerning why the rates are the same although the distances are different. I did this when this measure was before the Standing Committee on Transport and Communications on Tuesday, May 12, 1970. My hon. friend from Crowfoot has quoted some of the answers and the Mr. Campbell to whom he referred is the same Mr. Campbell whom I questioned. I asked the following questions, as recorded at page 27 of the proceedings of that date in volume 26:

Mr. McCleave: Mr. Chairman, one thing that has always puzzled people in Halifax and Saint John is the fact that the ocean rates, as I understand them, are the same to Halifax and Saint John from, say, Liverpool and London as the rates are to Montreal, though I believe the rates to Toronto and Hamilton are a bit higher. Can any of our witnesses explain why this should be a way of life, especially in the light of the fact that there are over 300 nautical miles greater distance from Liverpool or London to Montreal than from those ports to Halifax and Saint John.

Mr. Campbell: I think I could offer a possible explanation, sir. If I might be so bold, I am not sure that the subject of shipping economics is particularly relevant to this bill, but...

At this point I interrupted and said:

Mr. McCleave: Is not the subject of rates particularly relevant to the bill? Are we not dealing with blessing practices which otherwise are outside the law because they are restricted?

Mr. Campbell: We are blessing them subject to conditions; that is correct, sir, yes.

Mr. McCleave: Yes, that is true.

Mr. Campbell: The reason that the transatlantic rates to Halifax might be the same or even in some cases possibly higher than they are to Montreal might well be the same as why they are the same or higher to Toronto. If the bulk of the trade were between Montreal and Liverpool and en route the ship had to deviate to Halifax to pick up more then the ship is actually incurring extra costs in going to Halifax, the point being that if the ship could go from Halifax to Liverpool with full cargoes there would not be any question at all that the rate from Halifax to Liverpool would be lower, or should be lower than the rate to Montreal. But it is a question of the costing of the whole voyage to fill the ship.

Mr. McCleave: There are cases, though, where the ships go directly between Halifax and Liverpool or between Montreal and Liverpool without calling at both Canadian ports. That is the question on which I am putting my emphasis. Why should this be so?

Mr. Campbell: Sir, the question of the economics of ocean shipping is in my experience an extraordinarily complicated one.