

*Canada Shipping Act*

not be done in an irrational way. If fee increases are to be made, they will be done in a manner which does not cause such a hefty blow to the users of those services that they themselves will no longer be able to operate their businesses.

Recently in my constituency I have had some experience with this in respect of aviation, not in respect of shipping. Were the Minister of Transport to be in the House, I would bring this to his attention. Perhaps he could adopt the policy stated here with regard to shipping fees for those involved in aviation. For example, the new terminals at the Whitehorse and Inuvik airports were built as part of the Liberal election campaign under the process whereby they borrowed the next year's capital funds and built structures immediately before the election. The rental fees for space in those terminals have been increased to such an extent, up to tenfold in some instances, that it has become prohibitive for people to rent space anymore. That is one example where this policy of moderation might be brought into effect.

● (1440)

The question of the services and subsidies provided by the Government to the shipping sector and other modes of transportation is one I would like to think about aloud for a moment.

If I were the owner of a stevedoring or warehousing company in Montreal, I would want the ice breakers to clear the St. Lawrence Seaway, and I would make the argument that that was in the national interest and that the user of that service ought not to be required to pay for it. At the same time, I would probably argue against subsidies to the railways that go from Montreal to eastern Canada, servicing the ports of Saint John or Halifax.

It is only natural, given human nature, that that would be the case. Obviously, it would be to the maximum advantage of the person in Montreal in that circumstance to have that service rendered at no cost.

Conversely, if I were in the same position in Halifax or Fredericton, I would make the argument that we should retain the subsidies on freight rates and that those who are provided with ice breaker support in the St. Lawrence Seaway should be required to pay for it. That would be the most advantageous situation for the individual in Halifax or Fredericton.

I think we have to allow the Minister of Transport to engage in a system which would see subsidies reduced over a period of time, with the cost of such services as ice breaking being passed on to the user at something close to the actual cost of providing the service.

Surely that which is best for Canada as a whole is what should govern. Taking the interests of Canada as a whole as opposed to the specific interests in Montreal or Halifax, the system that should be in place for the transport of Canadian goods to export markets is that which is the most cost effective, the system that would be to maximum Canadian general advantage, and the way to arrive at the most cost-efficient system is to take into account the cost to the shipper, the cost

to the supplier of the transport, and the cost to the Canadian taxpayer.

In order that Canadian goods can compete in world markets, we have to be as effective and as efficient as possible on a national basis.

Still on Clause 4, I have a few comments to make with respect to the Northwest Passage as it might exist many years from now.

I, too, share the view of the Hon. Secretary of State for External Affairs (Mr. Clark) that the Northwest Passage should continue to see a growth in the amount of shipping. I see it, at some point in time, being used as a regular through-waterway for vessels originating in Europe en route to Asia.

If that is to happen and if that shipping is to be conducted in a safe and environmentally sound manner, it will require considerable services of a nature usually provided by Government, such as ice breaking services and navigational aids, and there will be a cost attached to that.

Shippers using the Panama Canal are quite prepared to pay a toll, and so it should be for shippers using the Northwest Passage—which I hope would be open to peaceful navigation for vessels of all nations, with the only requirement being that they meet the necessary safety and environmental requirements.

It would make sense to levy a toll on vessels using that route which is more or less equivalent to the cost that the Government bears in enabling the route to be used.

I talked earlier about doing things to national advantage, about the necessity to do things in the most efficient way from a national perspective. Stepping back and taking the global perspective, surely the most cost-effective way of shipping goods from one continent to another would be to the best advantage of all mankind.

If the tolls for both the Panama Canal and the Northwest Passage meet the user-pay principle, then that route which is the most cost-effective will be chosen by world shippers, with the result that everybody in the world will benefit. And if at some point in time, as I believe will be the case, the Northwest Passage becomes competitive with other sea routes, then Canada, too, will benefit, not only as a shipper on that route but also as a provider of services for vessels using that route.

The last point I want to make this afternoon, Mr. Speaker—and this, again, is contained to some extent within the Bill—relates to the way in which the Canadian Coast Guard sets up its various regions.

At present, part of the North is looked after by Montreal and part is run out of Winnipeg or Edmonton. What is needed, or will be needed very shortly, is a separate northern region for the Coast Guard. But the Canadian Coast Guard and the Department of Transport are well aware of this need. What I am trying to do this afternoon is to give them a little more encouragement in a policy that they have been pursuing for a number of years, both under the present Government and the previous Government.