

Seaway Authority

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sent such a small fraction of both the value commodities shipped and their total transportation costs that the proposed increase should have no impact on future traffic movements."

To place the Seaway's position in perspective, Mr. Normandeau explained that, when the Seaway opened in 1959, the shipowners charged eight cents to carry a bushel of wheat from Thunder Bay to Montreal. Now they charge 16 cents. Throughout this 17-year period, the Seaway Authority has charged one and a half cents a bushel in tolls and wants to charge three cents. During this time also, the wheat farmer has seen the price of his grain go from \$1.50 a bushel to more than \$3.

The Seaway charges four and a half cents to move a ton of coal on the Welland Canal, while the price of coal has risen from \$12 to \$52 a ton.

Unfair subsidization

"Nobody regrets the tremendous investment in the Seaway system," Mr. Normandeau says. "It has been immensely beneficial to Canada and the U.S. But the Canadian taxpayer should not be subsidizing his American neighbour."

According to Mr. Normandeau, raising the tolls is not likely to have any appreciable affect on various regions of Canada. The Atlantic provinces have for years called for higher tolls to place their ports in a more competitive position.

He sees no reason for objections being raised in Quebec because Montreal and other St. Lawrence River ports have benefited from the increased shipping traffic attracted by the Seaway.

In Ontario, the steel companies and Ontario Hydro derive most benefit from the Seaway, Mr. Normandeau states. Manufactured goods in Ontario move mostly by truck and train, so that general cargo traffic *via* the waterway is not a big factor.

Mr. Normandeau expects opposition to toll increases from Manitoba and Saskatchewan because of fears of an adverse effect on grain-transportation costs. Tolls are an insignificant factor in the transportation costs of grain, he says.

Alberta and British Columbia will not be affected because of their natural dependence on West Coast ports. As in the case of East Coast ports, raising the tolls may improve the competitive position of West Coast ports.

"The plain fact of the matter is that, had tolls kept pace with inflationary trends from the beginning, we would not have been forced to take such drastic measures now to get ourselves out of the hole," Mr. Normandeau says.

(Courtesy of Transport Canada)

News briefs

- A precedent-setting contract was signed recently by the United Auto Workers Union and Rockwell International of Canada Ltd. The contract is the first such agreement in Canada to give workers education leave with pay to improve their skills as union leaders.

- Prime Minister Trudeau said recently that he hoped some agreement could be reached with Canada's native people on land claims before the Federal Government made a decision later in the year on the proposed Mackenzie Valley gas-pipeline. Native groups have asked that no pipeline be built until their land claims have been settled.

- China has used the occasion of a visit by the Toronto-based Canadian Brass Quintet to end officially a three-year war against Western classical music. *The People's Daily*, organ of the Chinese Communist Party, said recently that the Chinese people were particularly happy that the visit coincided with the downfall of the "Gang of the Four" led by Chiang Ching, Mao Tse-tung's widow.

- Defence Minister Danson has announced a \$2-billion program to equip Canadian armed forces with new supersonic fighter planes and the appointment of an admiral as the country's top military man. The Minister said recently that producers of six aircraft are being asked to submit proposals on selling 130 to 150 aircraft to Canada. It will be the single most expensive defence purchase in Canadian history. Mr. Danson said Vice-Admiral Robert H. Falls, 52, of Welland, Ontario,

would replace General J.A. Dextraze in September as Chief of the Defence Staff.

- The annual cost to the Canadian taxpayer of government debt has risen to \$822.92 per employed person, up 120 per cent from \$444.44 five years ago. These amounts represent the interest payments made on direct government debt in the fiscal year ending in March, compared to the 1971-1972 fiscal year. Total debt-service payments made out of tax revenues by federal, provincial and municipal governments during the past year amounted to \$7.9 billion.

- Aurélien Gill, 43, Chief of the Montagnais Indian Band of Pointe-Bleue, Quebec, has been accepted for the 1977-78 National Defence College course, Warren Allmand, Minister of Indian and Northern Affairs, announced on March 16. Mr. Gill will be the first Indian to attend the course, which provides studies in national and international affairs at the senior-executive level for about 40 participants a year.

- Japan is expected to buy a CANDU nuclear reactor from Canada before the end of 1978, says Bruce Rankin, Canadian Ambassador to Japan. Once the purchase is complete, Japan will have direct access to Canadian uranium.

- Federal environment officials said recently that talks were under way between Canada and the United States on tanker-routes and other issues involved in the proposed movement of Alaskan oil along the B.C. coast.

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