

Atlantic Regional Freight Assistance Act

Act. That transportation guarantee or undertaking is one of the primary reasons underlying the fact that eastern Canada joined the rest of the country. It is a pretty good country but it will not get much better if the rights eastern Canada has enjoyed since Confederation are to be potentially chipped away by order in council.

Mr. Thomas (Moncton): On a point of order, Mr. Chairman. I know that on Tuesday when we adjourned debate it had been agreed to stand clause 1 on the understanding that we would discuss the bill clause by clause. What stage have our discussions reached, now? Are we to have a general discussion, or are we to consider clause 1 and then continue with consideration of other clauses. I wish to know where we stand and where we may move amendments.

The Chairman: The understanding was, I think, that the general discussion would take place on clause 2. We are on clause 2 now.

Mr. MacLean: Mr. Chairman, I wish to make a few brief comments on this piece of interim legislation. They will be of a fairly general nature. I think it is necessary for parliament to introduce this legislation at this time but I share the reservations about it which have been expressed. It empowers the Governor in Council to curtail some of the benefits which have been enshrined in the Maritime Freight Rates Act and to vary the provisions of pieces of legislation which could only have been varied in the past by parliament itself. No doubt later in this discussion the minister will explain why he thought it necessary to do this.

I now wish to make a few general remarks about the problems of the Atlantic regions, about their economic positions generally and about the relationship existing between these problems and transportation costs. Basically it seems to me that the problem facing the Atlantic provinces is this: Ever since Confederation, because of our tariff system—and I am talking about custom tariffs and not about rail or transport tariffs—there has been a tendency to concentrate our secondary industries in central Canada. As a result we, in the Atlantic provinces, have suffered over the years from this trend towards centralization. The maritime region, including Newfoundland, now finds that almost everything it has to sell has to be exported to world markets. I am speaking about our pulp, paper, minerals, fish and so on. On the other hand we have,

[Mr. Nowlan.]

in effect, become a captive market for the centralized industries of central Canada.

If this bill were to provide the assistance that would make it possible for secondary industries having markets in all Canada to be developed in the maritimes, I would support it 100 per cent. No doubt the idea behind this legislation is to put secondary industries in the maritimes on an equal footing with those of central Canada and to give them equal opportunities in reaching Canadian markets. I am afraid I must say, and experience bears me out, that this assistance will not be enough to accomplish that purpose. This bill will not put the maritime producer or manufacturer on an equal footing with the producer or manufacturer of central Canada so far as major markets are concerned. We cannot bring this about by simply reducing freight costs by 20 per cent or 30 per cent, or whatever the figure may be. The bill will be of assistance in those cases, confined to a limited segment of the whole spectrum of production and manufacturing, where industries in the Atlantic provinces can compete with those in central Canada. Therefore, any help that does not get us over the threshold, as it were, of making our industry truly competitive in the Canadian market generally is no help at all. Of course it will have a beneficial effect on our existing industries which are in a good competitive position vis-à-vis our competitors in the rest of Canada.

The fact remains that, despite this assistance, and for reasons having nothing to do with such assistance, industries in the maritime provinces have been limited to those industries capable of maintaining a good competitive position vis-à-vis the rest of Canada. When a more comprehensive program of permanent assistance to transportation in the maritimes generally is proceeded with, I should like to see the minister giving consideration to the report of the Standing Committee on Transport and Communications which deals with road construction, the prospective construction of the Prince Edward Island causeway and so on. I hope he reviews matters of this sort from time to time and studies at least the problem of the maritimes in the field of transportation. In spite of the artificialities in this country from an economic point of view so far as customs tariffs are concerned, we ought to realize that the natural markets of the Atlantic provinces are to a great extent overseas markets such as the West Indies.