

Canada Shipping Act

However, none of these groups had heard about it. We are disappointed in that.

I should like to talk a little about cost recovery for Coast Guard services, a part of the Bill which is of considerable concern to people right across Canada. I was very interested in the remarks of Hon. Members from the eastern coast and from the St. Lawrence Seaway area in this regard. Of course, we in British Columbia are very concerned as well. As I understand the Bill, the Conservatives are imposing a user-pay philosophy, a philosophy which was initiated by the Liberals. It is implicit in the Bill that shipping companies and vessel owners will have to pay for the cost of Coast Guard services. This seems to be ridiculous. The Clauses in the Bill are very vague, and it is difficult to predict the exact impact. However, my Party and I challenge very strongly the principle. My Party has always challenged user-pay policies relating to essential services for which all taxpayers should be paying because the services benefit all taxpayers. Clause 4 would require cost recovery for Coast Guard services. For example, this could have a serious impact upon people in the fishing industry, upon commercial shipping and subsequently upon the costs of activities in the Port of Vancouver and upon the costs of consumer goods.

Currently, the Coast Guard costs \$824 million per year. Most of us would agree—certainly those of us from my part of Canada—that we need a vastly improved Coast Guard service. It needs to be improved; it needs to be expanded, particularly the inadequate search and rescue services along the coasts. Many Hon. Members will recall a very serious incident last spring wherein there was no adequate prediction of an approaching storm. There was some satellite information, but there was no accurate prediction of the storm. Off the Queen Charlotte Islands there was a major disaster. A number of vessels went down and there was a loss of lives. This happens all too often on that coast. We need improved weather services as well as Coast Guard services.

I think it is important to look again—and I would like the Minister's view on it—at having weather ships off the coast. I know weather ships cost money. If they are out there, they should be paid for by all of us through our taxes; it should not only be charged back to the boats using the weather information.

If there are increased costs for Coast Guard services, we know that the costs will be charged to the vessel owners, the shipping companies, the Port of Vancouver and so on. This ultimately will increase shipping costs. I should like to talk about it because it is a very real concern to those of us on the West Coast. It is really a desperate situation for the Port of Vancouver to remain competitive with American ports and in international trade. Of course this is basic to our whole trade in the Pacific Rim. We are very concerned about any added costs. It is very difficult to compete even now. The Port of Vancouver must have every advantage from the Government and from all of us in Canada, not just those people in British Columbia. This port serves all western Canada, and it must have every advantage if it is to be able to compete with the Port of Seattle and with the Port of Bellingham.

● (1640)

I would like to tell the House of a new development of which I just heard recently, a pretty threatening kind of development which again illustrates how very important it is to help the Port of Vancouver to be as competitive as possible. I learned through an article in Vancouver's *The Province* of last week that the Port of Bellingham has bought a 13.3 hectare property next to the Canadian border to serve traffic bypassing Vancouver. It is said that this land is near Sumas, and has been bought for \$400,000 and is expected to be awarded foreign trade zone status by the U.S. Government by the spring of 1986. This facility would receive truck and trailer deliveries of cargo from both the U.S. and Canada. Of course, this foreign trade zone which would operate at reduced costs like a free trade zone would allow its trans-shipment centre to function as a free port.

Traffic sought by the Port of Bellingham for its new facility could include the transfer to a Canadian railway for onward delivery to eastern Canada, thus avoiding the Port of Vancouver all together, of Japanese goods coming into Canada. The people who are developing this port admitted that its chief aim will be to serve shippers who wish to avoid the Port of Vancouver.

Mr. Siddon: Why?

Ms. Mitchell: I see that one of the Ministers who happens to be from the Lower Mainland is present. I would be very interested to hear him comment on this matter. Perhaps he knows some more about it. I should think he would agree that this poses a tremendous threat to the Port of Vancouver. I raise this matter because competition is very tough. We in Vancouver need to have every advantage.

While speaking of the Port of Vancouver, I would like to remind the Minister of something. I must admit—and sometimes it is pretty hard to admit this—that we thought that the Government had a pretty good policy on shipping. As I recall, during the 1979 election campaign, Conservative Members were even talking about a merchant marine. Perhaps my friends across the way could substantiate that. We have not heard anything about it, however, since they have been in power. That is something about which I would like to hear more.

When the new structure, the Canada Ports Corporation, was established to replace the National Harbours Board and the system was changed through decentralization under local port corporations, we expected to have an efficient, decentralized and autonomous operation in Vancouver. That was particularly relevant for Vancouver because there is enough income to upgrade facilities without having to wait for six months for approval from Ottawa. We did not like the way the boards were appointed politically, and I notice that the Conservative Government has continued to make patronage appointments to the board of the corporation. However, we were pleased with the idea that ports would be decentralized, become relevant to the region and hopefully become more efficiently managed.