

Maritime Code

will support my suggestions. One suggestion relates merely to a certain procedure which can be used for the redress of grievance. I am thinking of procedures with respect to the issuance of licences. The second suggestion is that we should make foreign seamen working for extended periods in Canada conform to and enjoy the protection of Canadian law.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, although I have not participated much in the deliberations of the transport committee one thing is apparent to me. Many Canadians are in favour of establishing a Canadian merchant marine. It is argued that passage of this bill will lead to the creation of a Canadian merchant navy. Well, I have been interested in a Canadian merchant navy, ever since C. D. Howe gave our ships to Onassis. Apparently we could not use our Liberty ships, but Onassis could. With them he built a shipping line and made himself extraordinarily rich. At one time we had the fourth or fifth largest merchant navy in the world.

I suggested in previous remarks that only four blue water ships are of Canadian registry. An official of the department said I was wrong, that there are 300 or 400 such ships. Perhaps he was thinking of rowboats, dories, small ships of 100 tons or so, and so on. The fact is that although we have one of the largest coastlines in the world, export vast amounts of raw materials, and import commodities from all over the world, we have to hire foreign ships. When we wanted to move oil from the west coast to the east coast, the shortage of shipping was so severe that we were forced to hire a ship so run down that nobody else would hire it. The ship was unsafe and there was a danger of losing the oil. That did not matter. In the crisis we were forced to hire that ship, to carry oil from the west coast to the east coast.

Mr. Munro (Esquimalt-Saanich): Was her owner Onassis?

Mr. Peters: I don't know. She was not under Canadian registry but she was the only ship available, shipping being in short supply.

Obviously we need a Canadian merchant navy. An hon. member speaking last night said he was afraid that Canada does not possess the wherewithal to build a merchant navy. I suggest that Canada may need to treat the merchant navy as it treats its railways. The Canadian public and the government perhaps need to be involved directly with the payment of subsidies. We shall need to decide if a Canadian merchant navy is worth our while. If it is we must provide the means to make it possible. That question is relevant to clause 6.

Some think that by establishing the Maritime Code we are embarking on a new program which will ultimately lead to the creation of a Canadian merchant marine. They think that we shall control our waters with our own ships in much the same way as we influence events in our portion of the Seaway. I suggest that is not correct.

An archaic, backward-looking department would be involved with our merchant navy. They are so far in the background they will never get into this industry. They do not believe in having a merchant navy. They believe in meeting all the considerations involved in a system of

[Mr. Forrestall.]

licensing. They use as a basis for their licences the economic factors and take into consideration the operation of their bureaucratic control over the issuing of licences and permits. They have been doing this for some time. As long as they continue it will be cheaper to hire foreign ships under licence than Canadian ships. Why? Read the amendment and clause 6 and you will see why.

● (1520)

A shipper on the east coast shipping from one port to another can hire a convenience flagship from Panama, the Bahamas, Libya or any other country flying a convenience flag at lower cost. They have the labour costs that apply in those countries rather than Canada. We must supply the kind of food they eat. Their conditions are very substandard to ours. The wages are very low. Safety and health standards are almost non-existent. That is why these ships can be hired at very low cost. As long as that continues it will be impossible for Canadian entrepreneurs to compete.

What happens with our ships? We in this country own ships. Some are owned by Canadian National Railways. They operate under flags of convenience with crews that, in the main, are recruited in countries where the wages are very low. It is also true that CP and most other Canadian owned ships operate under flags of convenience.

If we want to develop a Canadian merchant navy we must do a number of things. If the Department of Transport is going to give licences to all the friends it has established over a long period of time, they will have to agree to operate under the conditions we now have and our economic circumstances. We must apply the criteria under this amendment. If we applied these criteria, Canadian entrepreneurs would be able to build Canadian ships and hire Canadian crews. If the Canada Labour Code applied, and immigration officials applied the immigration law to these ships from one port to another in Canada, as well as our safety regulations, Canadians could compete. They are as smart as anyone. However, if only Canadians have to abide by the Canada Labour Code and operate under Canadian safety regulations and other regulations, we cannot compete.

I am aware of a simple fact the department has been aware of for a long time. Officials have been giving top priority to it. I refer to the economics of the operations of the department and the economics of the trade in the maritime provinces, and the added cost that will obviously be passed on to those making the transfers and the arrangements with the shipping companies.

I am aware that it would cost more to ship from Halifax to St. John's, Newfoundland, if Canadian crews are used. However, it is also a fact that when you apply those regulations to shipping by rail it costs more. There have been concessions made through subsidies and the Crownest Pass agreement, and special arrangements with regard to the shipment of coal, potatoes and so on. We have made these exceptions. However, we have not ensured that those who work in these transportation facilities are paid a reasonable rate of pay, observe safety standards, and become landed immigrants. There are two problems. First there are the people in the area who want to ship from one point to another and, second, Canadians in general who want to establish a Canadian merchant navy.