

Navigable Waters Protection Act

should not be passed until the international organization which concerns itself with such matters, namely, the International Maritime Consultative Organization, dealt with the matter at their meeting in Brussels in November of 1969. The meeting was held, and the Minister of Transport (Mr. Jamieson) represented Canada. He made a statement at this meeting in which he put forward Canada's view, and the line of argument which is behind both my amendment today as well as clause 24 of Bill S-23 of last year.

Unfortunately, at the meeting of the International Maritime Consultative Organisation in Brussels there were many states represented, some of which have no coastline but large oil interests, and some of which have coastlines but also have extensive shipping interests. Naturally, these states are less concerned about oil pollution at sea than we are. The results of pollution coming from a tanker was absolutely liable, regardless of fault, for the Canadian position that the vessel owners as well as the cargo owners should be made not accepted by the majority of states there. Some progress was made at that conference, but I think it is clear that the Canadian view did not get very far at the meeting. Let me discuss for a moment why we did not succeed. The arguments put forward, which are contained, by the way, in the Senate references which I have given in the House, suggested that the nature of marine insurance would make it impossible to apply unlimited liability upon a shipping company. This argument was put forward at length. It is one that I have considered and that I reject. I would be very surprised indeed if the insurance business, which is a flexible business—we have all heard that Lloyds will insure anything—cannot find some way of insuring vessels at sea for the ultimate consequences of any shipwreck or disaster at sea. I am quite sure that if the industry put its mind to it, there is a way of insuring vessels regardless of the limit of liability. Certainly, in the case of commercial aircraft the liability of the insurer is almost unlimited. One instance which I was given showed that \$80 million was paid by Insurance Companies for one airline disaster. If they can find it possible to insure a single aircraft for up to \$80 million, I think it is incredible that they should argue they can only insure a ship up to a total upper limit of \$10 million to \$15 million.

So, I reject their argument because I think if we insist upon the idea first of a limitation and second of liability only in case of fault, we will make it quite impossible for the inno-

cent people who may have marinas, fishing camps, or who may be commercial fishermen, all those people who live along the shore and gain their livelihood from the sea, to collect from these large oil interests. Thus they will suffer from the disasters rather than the people who I think should be responsible for the costs, namely the shipping and oil companies.

It was suggested that perhaps a voluntary organization of shipping interests might be the best way to deal with the problem. It was mentioned to the committee and elsewhere that the Tanker Owners Voluntary Agreement Concerning Liability for Oil Pollution would satisfactorily take care of this particular matter. I think that the existence of such an organization does not make such legislation as I propose unnecessary. In my opinion, it is quite essential for us to have absolute liability, and to have it without necessarily requiring proof of fault on the major oil carriers.

The argument was put forward that ultimately the consumer will have to pay for any increase in cost, if the cost of shipping oil is increased and that this is bad. I submit that the consumer of oil is precisely the one who should pay, not the taxpayer, not the general public, not the people who happen to live along waterways which are frequented by these enormous vessels, but the people who use the oil. If the insurance is going to be expensive for such carriage of oil, well, that is tough; and if it increases the cost of oil, that is tough, too. However, why should the people who use that oil not bear that cost and risk? I say the people who use that oil, but naturally the company will pay in the first instance, and then will pass on the cost to the consumer. But why should the general public be responsible for the clean up, and why should little people be subjected to disaster simply because of this legal difficulty which oil companies and shipping interests see?

• (5:10 p.m.)

There is a second point which is most important here, and which is especially important to Canada's northland. If we continue with our present way of placing the risks on others than the oil companies and others than the consumer, we distort the costs of shipping by sea as opposed to shipping by pipe line. I think hon. members can appreciate the point, that if we allow the taxpayer to bear the cost of cleaning up oil pollution and do not put the cost where it should be, on the shipper or oil company, then we have created