

Marine Atlantic Inc.

New Brunswick and is working with CN Marine one can transfer one's pension credits. In other words, if one were working with a provincial Government agency and one had worked with CN, then the pension could be matched up—that is if one is from New Brunswick. If one is from Nova Scotia, it does not work that way. There is no pension portability agreement. If one is from Newfoundland it does not work that way because there is no pension portability agreement. If one is from Manitoba it does work that way, because it has a pension portability agreement. What I am saying is that Transport Canada, with the creation of this new Crown corporation, should go after those provincial Governments and agencies and say: "For goodness sakes, sign a pension transferability agreement with CN Marine in order to take care of some of these people".

The Canadian Transport Commission and the Government of Canada have recently ruled that the guarantees under the terms of union on freight rates across the gulf do not apply. What that means is that what is in the terms of union in the Constitution of Canada in black and white really does not apply. We are told it is there in black and white in the Constitution and the Terms of union, but it is really not there. That has led to the CTC recently, within the last couple of months, and the Government of Canada, approving vast rate increases for freight across the gulf. If they get away with it, then we will have more increases, because under the Terms of Union one could not charge any more for a passage on that ferry for freight than you would charge for an equal distance by rail. So there was a subsidy built in to freight movement to and from Newfoundland as a result of the Terms of Union.

● (1230)

For the first time since Newfoundland joined Canada the Canadian Transport Commission is saying: "Although it is in the Terms of Union we do not think it really applies". That is quite a decision by the CTC. The Minister of Transport must approve or disapprove that interpretation of the Terms of Union.

When the CTC brought down its decision I checked with the Government of Newfoundland. I was told that it would appeal the decision. At the last moment there was an extension of the appeal period for one week. The matter is presently under appeal. Certainly what is in the Terms of Union is in the Terms of Union. If it were not, it would be something completely different. It is in the Terms of Union and the Government of Canada must realize that.

Those are my remarks as far as this Bill is concerned. I notice in the Bill that the figure \$2,344,473,774 is used with respect to the value of the shares, as far as service is concerned. Someone might misread that and think that it is the actual value of the company. Someone might think it is the ultimate purchase price of the service. Of course, that is not the case.

CN provides a necessary service between the provinces. I have never been able to understand why, back in 1949 when

the Terms of Unions were being negotiated, we did not put it in black and white that this service is nothing but an extension of the Trans-Canada Highway, that people should not have to pay and that the cost of transportation should not be added to the cost of goods and services. In fact, the entire argument with respect to whether the Newfoundland Railway will continue is based on the fact that in the accounts of the railway in Newfoundland the actual cost of transporting goods from North Sydney to Port aux Basques is added to the cost of the operation of the Newfoundland Railway. Therefore the books of CN, which are held at its head office in Montreal, show that the Newfoundland Railway will lose \$40 million this year. I caution anyone who looks at those figures to phone CN and say: "Is it true that you have the absolute audacity to add the cost of transportation to the Newfoundland Railway for moving goods from the moment they are taken off a truck in North Sydney and put on the ground? Are all the costs for loading them, carrying them across the gulf and unloading them added to the cost of the Newfoundland Railway?"

The Acting Speaker (Mr. Paproski): I regret to inform the Hon. Member that his time has expired. Are there questions or comments? The Hon. Member for Vancouver—Kingsway (Mr. Waddell).

Mr. Waddell: Mr. Speaker, I have one comment and one question. With respect to making the ferry service an extension of the Trans-Canada Highway, in British Columbia we have been saying that for years. We have been saying that in fact it is part of the Trans-Canada Highway and it should be picked up as part of the costs. My question is this. I am not familiar with the ferry about which the Hon. Member speaks since I live on the opposite coast. We have a pretty efficient working ferry system in British Columbia. He said: "Don't take the night ferry unless you want to spend the next day in a motel sleeping it off". I wish to ask him, sleeping what off?

Mr. Baker: Mr. Speaker, I am pleased to say that the way it will read in *Hansard* is the way the hon. gentleman put it. What he said was that the people of British Columbia have always maintained that the Newfoundland ferry system should be considered part of the Trans-Canada Highway.

Mr. Waddell: No, no.

Mr. Baker: That is exactly what the hon. gentleman said. That is what is in the official record. That is what has been taped and that is what these gentlemen have taken down in their notes. Perhaps the hon. gentleman will want to correct it. Why not leave it on the record? Why not say that that is what the Hon. Member supports, as do the people in his riding and the people in British Columbia?

The hon. gentleman also says that in British Columbia they do not have problems with their ferry service similar to the ones I outlined in my address. No, they do not. The Province of British Columbia is not 100 miles away from the rest of Canada at its closest point. We are talking here about 100 miles of Atlantic Ocean. I suppose it is a very difficult system