

Shipping Conferences Exemption Act

I was interested in the remarks of the Minister of Transport (Mr. Jamieson), who said that all the shippers have to do is to file the rates with an important and knowledgeable body, namely the Canadian Transportation Commission. But I ask whether that is good enough. My amendment purports to provide that on filing, the rates must then be approved by the commission. If they are not approved, then the conference is not legally created and the Combines Investigation Branch can take action against it. This would put some teeth into the act.

What has happened over the years? What brought about the investigation that was made by the Restrictive Trade Practices Commission between 1962 and 1965? I should like to quote from page 85 of the commission's report to give the House some idea. I should really read the whole page because the report goes on to outline quite clearly that the conference specifically sought to charge exorbitant rates to the Alcan Company of Canada for moving aluminum out of the Baie Comeau and Saguenay ports.

It appears that the conference wanted to charge \$16 a ton, but Alcan formed a subsidiary company called Saguenay Shipping. Consequently, this automatically lowered the rates to about \$13 a ton, whereupon the conference indicated it would now lower its rates to \$11 a ton if it were guaranteed 25 per cent of the freight. There are many illustrations of abuses that deliberately held up freight and shipping costs. For example, page 87 deals with millfeeds and hides and the shipping rates are gone into very fully. In one particular case where the conference was the only shipper the rate on brans, shorts and midlings was \$1.05 per 100 pounds. Then, when a competitive shipper was allowed to move in the form of another conference line, the rate immediately dropped to 48 cents for midlings, 50 cents for shorts and 53 cents for bran per 100 pounds. In other words, the rates were cut roughly in half when competition came upon the scene. One can examine the pages of the report and clearly ascertain that without competition shipping conferences will charge, and have charged in the past, exorbitant rates.

What does this bill do to control exorbitant rates of the sort charged in the past? In fact, what can be done? A minute ago I said that the bill merely asked that the rates be filed. In case someone doubts that word may I refer to page 113 of the committee proceedings

[Mr. Horner.]

where this question is clearly explained. Mr. Campbell says:

The bill requires that the form of contract be filed. This is the universal form that applies to all shippers. The shipper simply fills in his name and signs it.

The form is then filed with the CTC. What real strength is there in such a provision?

There is a great deal of talk today about foreign ownership of Canada, about concern by Canadians for Canada. I wonder how many people who attended the recent political convention of a party that declared itself to be concerned for Canada and how many people at the Liberal convention in London at the week end, a party which similarly declared itself to be all for Canada, are really aware that here in Ottawa sits a government that is prepared to grant a monopoly, a cartel, to shipping lines owned completely by foreign companies, lines that transport 80 to 90 per cent of the goods coming into and passing out of Canada?

An hon. Member: Shame!

Mr. Horner: It is a shame indeed. It is also a shame that we established the Canadian Transportation Commission. Bill C-184 would legalize the creation of a monopoly to charge exorbitant rates, and merely asks that monopoly to file their patronage contracts, and I suppose the rates charged, for a period of three years. That is not good enough. What should we do and what can we do? We could work toward the establishment of something similar to the International Air Transportation Association which sets the rates for world wide air traffic. Surely we are not doing that through this bill.

• (4:40 p.m.)

As my amendment suggests, we could give the commission the power to restrict the agreements with shipping conferences if the rates are exorbitant. Nowhere in this bill do we give the shipper the right to appeal. The shipper in no way has an appeal to the Transport Commission, nor can he even suggest that the rates should be lowered.

If one reads the Restrictive Trade Practices Commission reports he will find plenty of evidence which will suggest there are many instances in which people have definitely sought lower rates but were not able to get them because of the monopolistic position of the conference. Without a doubt there is substantial evidence to support the amendment now before the House, and I would urge hon. members who are concerned about the welfare of Canadians and Canadian shippers to support this amendment.