

*Transportation*

amendments that we feel, if interpreted generously and wisely, will give the ports the protection they already have but no more. Let us be clear about that. We are not getting anything more; we are simply holding our own. The compensatory rule in section 334 still causes apprehension. The minister, in a statement which I will not repeat, excluded the compensatory rule from the changes with-in the present law. That sort of thing may be all right.

• (3:20 p.m.)

Referring again to clause 1, I brought up the original proposal by the Maritimes Transportation Commission which has the effect of preserving any sort of statutory protection or rate now in existence. Unless I have misunderstood, it means that any future minister or government seeking to change the legislation cannot do away with the Maritime Freight Rates Act unless parliament agrees. In other words, there is a binding precedent that the change ought not to be made unless everybody agrees to it. In this respect the situation is not too bad. I have misplaced a quotation and will not subject the house to it. It is to the effect that the maritime provinces do not think this bill good or bad but that we are apprehensive about it.

The fourth point has to do with the position that we take as a party. I have said that we approve of the super board, though we fear it. The watchdog committee was turned down. It may be that the right men in the right places will make the board work. Perhaps our transportation problems can be considered in their entirety by this board. However, the whole legislation is an invitation to raise freight rates in the east and west. Like it or not, we are at the mercy of the railway companies. I refer to the year-end report of Mr. Donald Gordon, now engaged in another type of activity, in which he said:

While the legislation is not likely to provide any immediate financial benefits to the railways, it will when enacted remove outmoded restrictions and regulations which have hampered them in the past and place upon them the responsibility of paying their way in a highly competitive situation.

The situation is wide open, unless I interpret that statement wrongly. Yet I remember Mr. Gordon saying in Moncton and Saint John, "Do not worry about freight rates." As surely as I stand here, within a few months freight rates will go up. This will create further pressure on our financial system and will be highly inflationary. The \$100 million will have to come from somewhere. I am pleased

to see the Minister of Finance (Mr. Sharp) sitting in the house. Perhaps he can discuss the matter with the Minister without Portfolio from Toronto. As I say, these increases will impose extra burdens on our highly inflated economy.

No matter what anybody says, we have tight money in the maritimes. Higher freight rates will hit us hard. What will happen to us I do not know. I suppose the only thing to do is what the minister did last night, pray and hope that the new legislation, this pig in a poke, sight unseen—

**Mr. Pickersgill:** On a question of privilege, for the hon. member to suggest after all these days that this legislation is sight unseen is to misrepresent all that has happened, including the participation of the hon. gentleman himself and the good work we have done here.

**Some hon. Members:** Hear, hear.

**Mr. Bell (Saint John-Albert):** Mr. Speaker, the sight unseen reference has to do with the report relating to the maritime provinces which we are awaiting. In closing my remarks let me say that we have been asked to pass legislation that actually does not affect us except that there will be a deterioration of the maritimes' position because of this bill. But we are asked to go along with it as good Canadians, as we were asked to go along with the seaway and many other things. The inference is that, if we are good boys, in two or three years the government will get around to acting on the new transportation report and we may get something then.

As one maritimer to another—I should say, as one maritimer to a pseudo-maritimer—I can tell the minister that this bill is not going over very well in the maritimes. That is why I cannot support the legislation. The government has to live with it but I for one will be able to say, "I told you so."

**Mr. H. W. Herridge (Kootenay West):** Mr. Speaker, I rise to make a few brief remarks at the conclusion of this constructive and cooperative debate. I rise particularly to correct the remarks of the hon. member for Macleod (Mr. Kindt) last evening affecting the application of the principle of the bill. I am pleased that the hon. gentleman is in the house; I was astounded by what he said because he is a doctor of economics.

Other members of other parties have expressed misgivings about certain aspects of the bill. I think there is no question that as the result of experience over a period of time