

Seaway and Canal Tolls

be allowed to submit one thing to the attention of the house. I am not convinced that the solution proposed by the hon. member for Halifax is the right one, but if it can be shown to me that the Canadian government, in short the Canadian people, must help, give a boost to that sector of the Canadian economy, that is to the maritime traffic which uses the St. Lawrence seaway, I would like to submit the following.

Let the government increase those rates to the greatest extent possible and reasonable, but in order not to hurt Canadian shipping, ships which operate under the Canadian flag, not to create any deterioration in waterway or seaway transportation, which would probably have repercussions such as unemployment and possibly a slow down in the shipments of western grain, as well as some harmful consequences in our region of Trois-Rivières, I make a suggestion before quoting a statement in support of my argument. Would the government not be ready to study the possibility of giving reasonable and reasoned subsidies to ships registered in Canada, to allow them to compete with ships registered elsewhere and using the St. Lawrence seaway?

● (8:10 p.m.)

I see here in *Hansard* that on April 2, 1965, the present Minister of Transport (Mr. Pickersgill) said this:

The seaway did better last year than it did the year before—

We were in 1965, therefore, he was talking about 1964.

—and we hope it will do still better this year. We hope it will get into balance in due course. Traffic is increasing steadily.

That was on April 2, 1965, as I said before.

I hardly dare hope for quite as big an increase this year as there was last year because we had this tremendous wheat traffic, but the prospects look very good.

If the prospects are very good and if eventually the seaway will be an economic operation, why not use grants to amortize the capital of \$500 million plus the interests in order not to harm our maritime transportation and enable it to compete with foreign transportation?

Will the increase of rates drive away ships flying foreign flags? Once again, I do not claim to be an authority on the matter, but those ships come here because it is beneficial to them. Increasing the rates by 10 per cent

[Mr. Mongrain.]

will not prevent them from coming here to transact their business.

Does this 10 per cent not correspond in general to an increase or decrease of the dollar value, to a sort of inflation which took place here since the building of the St. Lawrence seaway?

Mr. Speaker, you noted my suggestion. I believe it is valid and interesting. Once again, the whole economy of the area I represent and that of several neighbouring ridings are vitally affected by this seaway shipping. Our grain elevators represent an important asset in our economy.

This would perhaps be a temporary solution that should not last too long, if I can trust the statements of the minister. As I said, until this is economic, certain subsidies could be granted in the meantime to ships flying the Canadian flag, and this could serve as an outlet for our Canadian economy.

[*English*]

Mr. Eric A. Winkler (Grey-Bruce): I am pleased to have the opportunity to take part in the debate this afternoon concerning the possibility of increased tolls on the St. Lawrence seaway, and the increase of fees on the Welland canal. There has been a wealth of participation today, expressing views held across this nation. I have listened to the western members making a logical plea on behalf of the grain industry. I have heard Ontario members speak of the problems which higher tolls would create in central Canada. We have heard the point of view of members from Quebec and the maritimes. It is evident that this debate was extremely necessary and of importance to the Canadian economy.

The proposition for increasing revenues from the St. Lawrence system is twofold. First, there is to be a 10 per cent increase in tolls. We now understand that this was in the program when the initial legislation was passed. The secondary method of increasing revenues is to be the imposition of lockage fees in the Welland system, the Canadian-operated part of the system.

I think the authority, as well as the government, would be well advised to investigate the legality of imposing lockage fees in the Welland portion of the system. These fees will represent a considerable amount of money to shipowners. I believe they will cost some \$160 a vessel next year, rising to \$800 in 1971. It may be found that this secondary proposal for raising revenue is legal, but I am