

*Seaway and Canal Tolls*

I maintain that section 15 gives the authority to the seaway to charge tolls but does not require it to charge tolls, and if the government decided not to apply tolls it has the authority under the act to do that. It is true that in section 17 there is a provision that the question of tolls is subject to any agreement with the United States. It is true that there is an agreement into which Canada has entered, requiring the charging of tolls; but this is an international agreement which is subject to renegotiation.

International agreements have previously been renegotiated. I submit that this international agreement can be renegotiated now and the government, if it wants to, has the power, subject to the renegotiation of the agreement with the United States, to change the basis entirely so that we could have toll-free service on the seaway, or some modified form of tolls that would cover only part of the cost. That of course would require amending section 16.

The most disappointing thing about this whole debate is that while hon. members, particularly backbenchers in all parties, have expressed their opposition to increasing the tolls on the seaway, the government has not come forth with some clear statement of policy, because this matter of the tolls on the seaway is much larger than the immediate issue before the house. It has to do with the entire concept of transportation. It calls for a clearly defined transportation policy on the part of the government, but the fact is that the government has not got a clearly defined and clearly stated transportation policy.

Someone has said that the history of Canada is a long and constant struggle with geography. Long before confederation our forefathers struggled with the problems of a young country, a population strung along the international boundary of the United States for a length of 4,000 miles, sparsely settled people who had two major problems, one, how to get their products to the world markets at prices that would be competitive and, two, how to bring in the commodities which they could not produce themselves at a figure that would enable them to be competitive and to maintain a decent standard of living.

Consequently transportation has been at the heart of almost every great parliamentary debate since confederation. It was early recognized that we had to decide in Canada whether the entire cost of transportation was to be borne by the users or whether, as a matter of national policy, some part of it

should be borne by the country as a whole. This is why until recently, for over 60 years it has been a matter of government policy that our canals and waterways should be toll free.

As early as 1903 Hon. W. S. Fielding, who was himself a maritimer and a minister of finance in the Laurier government, said in the House of Commons:

There is room for some doubt whether the tolls that are charged are large enough to be a serious obstacle to traffic. But while this doubt exists, we do not feel that they are such as would prevent us giving the proposal to abolish them a fair trial. The revenue, though considerable, is not large enough to prove a disturbing factor. We would gladly yield up this item of our receipts if we could feel assured that it would have the great effect of encouraging business. The government have therefore determined for a period of two years to suspend the charges for tolls and make the entire canal system of Canada absolutely free to all.

That policy was continued over a long period of years.

In 1934 Hon. R. J. Manion, who was minister of railways and canals in the Bennett government, said this:

I entirely agree with those from the west who say that the western Canadian grain grower cannot stand (the proposed toll) added to his present cost. It is important that we should have the lowest possible rates in order that we may compete with countries whose grain fields are closer to the seaboards than are the fields of Canada.

● (7:10 p.m.)

Interestingly enough the head of the government of that day, Right Hon. R. B. Bennett, in the same year said in the House of Commons:

The reason the government of Sir Wilfrid Laurier removed the tolls in 1904 was that they imposed an additional burden upon the grain growers of the west; that is the real reason . . . The real reason for this arrangement, one which some people thought was misunderstood philanthropy, was really an effort on our part to lessen the charges on the movement of wheat from Fort William and Port Arthur to Montreal, destined for export to the markets of the world.

So, for a long period of time traffic on the canals and waterways of Canada was toll free in recognition of the fact that our primary producers, who have been buying in a protected and costly market, might have the lowest possible transportation costs in order to get their goods to market at competitive prices and in order to give them a fair return for their produce.

We all know of the long and bitter opposition in the United States to the construction of the St. Lawrence seaway. It was opposed