

Seaway and Canal Tolls

principals. I think it is significant to note that to date those economic surveys and studies have been kept secret by the seaway authority. I submit that they have been kept secret because the studies partially give reasons why tolls should not be increased and because they point out the potential detrimental economic effects of increasing the seaway tolls. The authority, on the one hand proposing an increase in tolls, did not want to release any information contained in these economic studies which would be deleterious to the proposal of the seaway authority.

However, sometimes such studies are not as secret as one would like them to be, because an extract from one of the economic surveys provided for the St. Lawrence Seaway Authority and the following to say with regard to the commodity studies. This was with respect to iron ore movement, and I wish to deal just briefly with this matter. The study deals with the impact of toll increases and whether they would affect the competitive position of hauling through the seaway as compared with hauling cargoes in some other fashion, and one comment is as follows:

The one significant borderline situation is the ore movement through the seaway and lake Erie ports into the Pittsburgh area. This area can be supplied for about the same price via U.S. Atlantic ports and currently about one million tons of Canadian ore moves into this area through Conneault.

In the main conclusions of the study we find the following with respect to iron ore shipments:

Currently, there is about one million tons of ore routed through the seaway for steel mills in the Pittsburgh region which could almost as easily use the Atlantic route.

In other words even a 10 per cent increase in toll charges could have the effect of diverting what is now about one million tons of iron ore from one route to another. As a consequence, not only would the seaway lose the income on the traffic but I do not know how many people would lose jobs because this particular method of carrying the ore would not be used.

The matter was gone into quite extensively by the hon. member for Kindersley and the hon. member for Burnaby-Coquitlam, my leader, when he spoke on the question of urgency of debate. It has been gone into extensively with regard to the movement of grain. Even an increase of 1½ cents a bushel which will be extracted from the pockets of western grain farmers is a kick in the teeth to

[Mr. Howard.]

those farmers, who have a difficult enough time as it is.

I submit that the amount of money which may be realized by increasing the tolls on the movement of grain through the lakehead and the seaway is insignificant in itself in so far as the operation of the seaway is concerned, but means quite a bit to the individual farmer on the prairies who will have to dig up the extra money to pay these freight charges. After all, he is the one who pays in the long run.

● (3:30 p.m.)

There is the question of the secondary effect on manufacturers who will have to find the money to pay for the increased tolls. We all know that in our economy there is only one individual who pays for anything and that is the consumer. All of the industries whose operations hinge to a certain extent upon shipments through the seaway will pass on the increased toll charges to the consumer who will again be the victim. This may be an inflationary measure and another method of extracting purchasing power from the man on the street. In my view this is not compatible with our desire to develop our economy and make it as progressive and virile as we can. If this measure is adopted the seaway will be the only place in North America where tolls are charged for ship movements. I could make extensive additional references to the economic studies which the seaway authority has kept secret, and bring forth a variety of statistics to show that the proposed increases are not necessary.

Let me sum up in a few words. We have a tradition in Canada of toll free waterways. We now have the desire to return to that situation. If the seaway authority and the Canadian government had any real concern they would not be thinking now of increased tolls and increased charges to the consumer and the western grain farmer and the resulting potential loss of jobs for Canadian sailors and others. They would be thinking in terms of working out an arrangement whereby tolls could be decreased as quickly as possible and eventually eliminated. I submit that this is the only course which the seaway authority can take and, if it fails to take it, the only course which the Canadian government can take.

Mr. Olson: Mr. Speaker, I believe the reason for this debate today is to allow members of the house to have an opportunity to express the point of view of the people they