

The Address—Mr. Crouse

Mr. Crouse: Mr. Speaker, when the House rose at noon, I was addressing myself to the problem of transportation in Atlantic Canada. I would point out to you, Sir, that the industries of Atlantic Canada are not one inch closer to the markets of central Canada today than they were in 1867. What we need is not just freight rate subsidization. I believe the railways in Canada should be used as an instrument of national development rather than operating on a rate system designed to recover the cost of their operation in each area. In other words this is the first step, in my view, toward economically unifying Canada, which is a problem which seems to be of great concern to the Prime Minister and the Minister of Transport (Mr. Marchand). By the government's own admission, the DREE program has failed. It is stated in the throne speech that it must be decentralized.

I submit there would be little or no problem in relocating industry in Canada when rail rates and the economic disparities they cause are equalized or brought into closer balance. An efficient transportation system may not guarantee economic expansion, but the lack of such a system is having a detrimental effect upon the growth of Atlantic Canada. The throne speech indicates that the government assigns the highest priority to an economic policy that will reduce unemployment, contain inflation and strengthen the economy generally. While no mention is made about restoring the shipbuilding industry in Canada, I believe this is one area that is worthy of consideration by the government. More than two years have passed since the report of the inquiry on the coasting trade of Canada was submitted to the Minister of Transport.

The Darling report recommends that Canadian coastal waters be reserved to Canadian flag vessels which is a practice common in every modern maritime nation. It recommends that the development of Canadian resources on our continental shelf and in the Arctic be combined with provisions requiring the use of Canadian shipping. Since this report was published, there has been extensive exploration without any commitment to use Canadian shipping or Canadian workers. In view of our present high level of unemployment which is expected to increase, I ask this government if it is concerned with developing our human resources, as well as our natural resources, why has it not taken action to provide more aid to the Canadian shipbuilding industry? The \$2 billion, for example, spent on unemployment would have built a lot of ships. That is the point I want to make. Practically every maritime nation in the world has strong policies to keep a deepwater merchant marine under its registry. In some cases it is done by direct subsidy, and in others it is a preferential tax exemption.

In 1947, this country had 155 ocean-going vessels under Canadian registry. Since then our fleet has dropped to almost nil, with the operators claiming they were taxed out of business. Some may say the cost of building up a modest Canadian merchant marine would be excessive. But we must ask ourselves how many millions of dollars we are paying annually to foreign countries by chartering their ships to carry our cargo. If these hundreds of millions of dollars had been spent for Canadian vessels, they would inevitably have found their way back into the economy of our country instead of being completely lost.

[Mr. Crouse.]

At the same time such a course would have given thousands of Canadians in all walks of life, new jobs, new opportunities and new hopes for the future which are not now available. It is hard to realize that Japan for example, which built a very small percentage of the world's ships in 1950, is today building over 50 per cent of world tonnage. Today, we are providing a small subsidy toward the cost of building domestic service ships and those built to foreign order, but I believe this program ends in March so action is needed immediately if our shipyards are to be reactivated, and if employment is to be provided for the workers in those yards.

There is no other trading nation in the world that puts its overseas trade at the mercy of foreign carriers, and I believe we should immediately consider a subsidy program which would cover at least a ten year period so that the Canadian flag could once again sail the sea lanes, providing new opportunities for our people.

Finally, the Speech from the Throne promises further measures to control foreign ownership of Canadian owned business. In my opinion, speaking as one who comes from Nova Scotia, this is a very important matter in our province since it deals with the preservation of our inheritance and our birthright. However, I believe any debate over ownership and control of Canadian industry should also deal with the thorny problem of ownership and control of unions operating in Canada. Whatever one may think about the role of foreign capital in Canada, we cannot continue to ignore our foreign dominated unions which represent a factor more closely related to people than to capital. After all, people in my view are far more important than money, and I cannot help but wonder why capital and not people is receiving all the attention when this matter comes under discussion. We are told by interested and concerned people that foreign investment prohibits Canadians from developing an independent economic, cultural and political identity of their own. These people appear to have a point worth considering, but unions keep reminding us that they, too, play important economic, cultural and political roles in our society.

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Since some 62 per cent of unionized Canadian workers are members of unions with headquarters in the United States, it would be interesting to know what the Canadian Labour Congress would think about a government controlled screening process for unions that want to operate in Canada. It would be also interesting to know how Canadian union members would proceed to acquire full control of unions presently operating in Canada. I, personally, think this would be quite difficult, and it is insufficient to say that Canadian union members can break away from their American dominated unions if they so desire. First of all, responsible union leadership would have to be found in this country. Another consideration would be the Canadian welfare, pension and strike funds in the United States. The federal government would have to move to assist Canadian union members in securing an equitable portion of these assets, or some adequate compensation.

To the best of my knowledge, Canada is the only industrialized nation in the world without a broad trade union movement of its own. I realize that the workers in Quebec