

considerations upon users of smaller craft which could well lead to them abandoning the use of such systems.

What about fishing boats? What about when a fishing boat ties up on the East Coast at one of our docks to unload the catch which is becoming increasingly uneconomic to bring home to port? Will the vessel be visited by a government collector at that time? Will we see disputes over tying up and retying when someone brings a boat into dock and then for some reason or another moves it, not for a fishing voyage, and brings it back again? What sort of costs will be imposed as a result of this Bill? Regrettably, the Bill is silent as to the nature of the costs which could be imposed under it.

We realize that the bulk of charges would fall on commercial shipping. I point out the potential problems with respect to pleasure boats and fishing boats by way of a supplement to the main argument which is based on the impact on commercial shipping on the Seaway system, within Canada and from Canadian ports generally. If we were to see a cost recovery factor of any significant degree imposed by way of increases to Seaway tolls and tariffs, then there would be a readjustment within Canada's freight system. In this way we would see a realignment of freight movements. There would be a tendency for freight movements to move west rather than east. There may be Hon. Members in the House from the West who would say that this is not such a bad thing. However, I point out to them that there are some significant problems with western routes in Canada. Also, the act of realignment could produce as many negative results for these Members' ridings and their constituents as could the positive benefits which would flow therefrom.

The costs which could be imposed as a result of this legislation could easily make the St. Lawrence Seaway non-viable. We could see an increase in tolls leading to a loss of revenue as shipping freight moves through other routes significantly, of course, in a westerly direction. We could see a reduction in traffic on top of the reduction which has already occurred. Something which surprised me, Mr. Speaker, when I first read it, is that cargo traffic on the Seaway last year was down 27 per cent from the previous year, which was itself down 20 per cent from the high in 1977. What that tells us, Mr. Speaker, is that we have a major national transport infrastructure resource which is being under-utilized to a very significant degree.

● (1600)

For example, even if we postulate that the Seaway was running at 85 per cent of capacity in 1977—which, I for one, feel is hardly likely—that would mean that today it is running at somewhere around 50 per cent of capacity. Surely, with the national investment in the Seaway, we should be looking not to reduce utilization but to increase utilization in order to amortize those costs over a greater number of users.

With respect to the amendments to the Canada Shipping Act, I believe it will come as no surprise to you, Mr. Speaker, if I raise again the question of the Budget raid which was carried out on the Seaway's contingency fund, and the indig-

Canada Shipping Act

nation this drew from the industry at the time. The Government, of course, does have powers over Crown corporations and over the cash reserves and balances of Crown corporations. However, looking at that raid from a purely business point of view, we have to say that it was carried out in a most ill-advised fashion. As we have seen from the events of recent weeks, there is a very definite need for a contingency fund in the St. Lawrence Seaway because contingency type occurrences arise. Things happen like collapses at docks, dock breakages and bank slippage on canal portions of the Seaway.

It seems to me that the way in which the Government has announced to the public of Canada these measures leaves a lot to be desired. I hold in my hand the press release of the Minister of Transport (Mr. Mazankowski) concerning the amendments to the Canada Shipping Act. I, for one, can find no reference in that press release to the fact that the Canada Shipping Act amendments empower the Government to proceed much as it would like by regulation to collect whatever fees in the St. Lawrence Seaway it felt it needed for other purposes, or that it felt the traffic would bear. What the traffic will bear in reality is not very much in the way of an increase.

That money was earmarked for capital improvements on the Seaway, particularly on the Welland Canal, and now it has gone back into the Consolidated Revenue Fund. The Government is using it, of course, for such worthy, noble and laudable purposes—and I hope no Hon. Member of this House misses the sarcasm—as bailing out banks in a way in which outrages business sense far more, even, than the initial scoop of the \$30 million.

I would like us to examine for a few minutes the theoretical basis under which transport infrastructure is funded. We fund transport infrastructure from general revenues for several reasons. There is the reason of public benefit; and the belief that a transportation system offers benefits to a country over and above the simple economic benefits of easier routes which are cheaper to travel and service. There is the role of the transportation system in ensuring the circulation of dollars within a country and of enabling the buyers and sellers to get together and the goods to flow and the services to move. This must be done in the most efficient fashion possible in order that the economic imperatives of production, sourcing and demand can be met.

There is, of course, the straight economic development theory which states that the more goods which flow between two given points, the more wealth is created and the more employment will result. We also fund infrastructural transportation services from general revenues from motives of efficiency of collection because it is not worth sending out a bill which costs \$1.50 in order to collect a service charge of \$1.30. Those figures, of course, refer to the take-off and landing of a light aircraft but there are parallels and equivalent situations which could well arise in the charging of fees at docks and wharves and fees for lockage, and so on.

I feel there is something seriously lacking in the arguments of the Government in its attempt to show the economic basis of the desire to recover considerably more revenue from the St.