

Transportation

Mr. Pickersgill: Mr. Chairman, I do not want to seem to restrict any hon. member, but there is absolutely nothing in the bill having to do with seaway tolls, sir. I commend the hon. gentleman for his zeal, but an encyclopaedic debate at this late stage of the bill surely is not warranted.

Mr. Horner (Acadia): We all realize, Mr. Chairman, that this bill embraces all modes of transportation. The minister should not have been quite so quick. An earlier clause in the bill deals with the Transport Act which in turn deals with navigable waters in Canada. I should like to deal with navigable waters in Canada for a minute or two and also with the very foundation of the bill.

The bill provides that competition shall be the ruling force in setting rates. How can we move our goods to export markets by using a transportation system which has no regard for the movement of such goods to export markets?

I should like to quote an article in the *Manitoba Co-operator* for January 19 which says among other things:

Washington has advised Canada it cannot reach an agreement on Canadian proposals to increase St. Lawrence Seaway tolls by roughly 10 per cent—

According to this article Canada wants to increase seaway tolls. The farmers want to move their grain economically to the lakehead by rail and then through the St. Lawrence seaway which was built by taxpayers' dollars and is part of a modern transportation system in Canada. Yet the Canadian government wants to increase tolls by 10 per cent. This is a problem that we are facing. Under this legislation railway companies can charge what the traffic will bear. We now see the Canadian government placing domestic producers in Canada in a worse position by advocating that seaway tolls go up another 10 per cent.

I urge the minister and the new transportation commission set up under this bill to keep a close and careful watch over the railway companies and the seaway authority. The onus will be on them to assure producers, whether it be of wheat, iron ore or manufactured goods, the right to move their goods to domestic or export markets. Even a manufacturer who wants to move his goods to a market in Canada must do so as economically as possible or he will be faced with severe competition from abroad. The same thing applies to the movement of iron ore or of wheat from western Canada by rail to the lakehead and

[Mr. Horner (Acadia).]

then through the St. Lawrence seaway system to their final market. Control of transportation will rest with the 17-man commission that this bill will set up and the onus will be on that commission to assure the producers of Canada the right to market their products.

May I make one more point about competition. Up to this time the rate setter in the major centres of Canada has been the railways. Trucking companies have followed along at correspondingly lower rates in order to assure for themselves a portion of the business. As we look ahead this bill provides no ceiling on rate setting by the railways, so how is competition going to affect the rate setting of the railways?

Competition will have to come from the air lines. More and more air lines are moving into the field of bulk haulage of freight. The bill is very deficient, to say the least, in bringing about more competition among the various modes of transportation. It does nothing to amend the Aeronautics Act to allow for greater competition between the air lines and railways in the haulage of freight from many centres in Canada producing goods for domestic markets. During the past year businessmen in cities like Calgary, Winnipeg, Edmonton and Vancouver have been complaining that sufficient landing rights had not been established between their cities and other countries.

This bill does nothing, Mr. Chairman, to remedy the deficiencies in the Aeronautics Act and it does nothing to promote real competition between the modes of transportation which will set the rates in the years ahead, namely the air lines and railway companies. There is no doubt that the trucking companies will be in favour of the railway companies increasing their freight rates, because that in turn will allow the trucking companies to increase their rates on a scale in most cases somewhat below that of the railways.

In many respects this bill is deficient. While we have worked hard in the committee during the past two weeks and improved the bill a great deal, it could be further improved and broadened a good deal to provide greater safety for domestic producers and increased competition among the various modes of transportation.

• (5:00 p.m.)

[*Translation*]

Mr. Gauthier: Mr. Chairman, after 12 or 13 days of debate I think I may be allowed to speak and although I was assured two days ago that I would be the first to speak