

*Shipping Conferences Exemption*

or viability. I must say that the work done in committee was exemplary and that all parliamentarians and the Government in particular should take note.

In fact, this time the Government decided to listen to the claims and suggestions of the various intervenors who testified before the parliamentary committee. I must say that had the Government been as receptive to the representations which were made with respect to Bills C-19 and C-18—both pieces of legislation concerning the Department of Transport—but to which the Government would not listen, we in the Opposition would probably have supported C-19 and C-18. But we could not do so because we felt that the Government was simply not prepared to move forward without bringing in amendments in the field of transport deregulation, particularly concerning Canada's trucking industry as well as air transportation in Bill C-18.

But this time, in the case of Bill C-21, consultation has not been a sham, it has been real. Not only did the Government listened to the suggestions of the witnesses who appeared before the parliamentary committee, but it also listened to those of the Official Opposition.

It has acted responsibly by amending the Bill to take these suggestions and criticisms into account.

[*English*]

Finally, we will have seen an exercise in which good faith, good judgment and a sense of responsibility won over simple partisanship. This is thanks to the contribution of all members of the committee and in particular the excellent work of the Parliamentary Secretary. I would like to pay tribute to him on this occasion because he has been very active in the committee. He has been a force that has conveyed to his Minister and his Government the views expressed by all members of the committee, not only by opposition Members. Some government Members also had views and feelings with regard to this legislation.

In conclusion, we have before the House a better Bill, a good Bill.

[*Translation*]

Therefore, Mr. speaker, I have no hesitation in saying that we in the Official Opposition will support this legislative measure.

[*English*]

**Mr. Ernie Epp (Thunder Bay—Nipigon):** Mr. Speaker, as the New Democratic Party's representative on the legislative committee which dealt with Bill C-21, I appreciate having this opportunity to say something about the Bill before us and about the work carried out by the committee. I would recognize comments made by others about working together on the committee and about the role of the Parliamentary Secretary in carrying changes to the Bill to the Cabinet for consideration.

I must say that I remain very concerned about what the consequences of Bill C-21 may be in practice over the next several years. In order to spell out some of those concerns, I would like to take a little more time than my colleagues on the committee have taken to consider the matter.

This particular version of the Shipping Conferences Exemption Act is of course a part of a series of Bills designed to exempt the operation of conferences, agreements among ocean carriers, selling services to those who wanted to export or import products. These conferences have allowed carriers to agree together on the terms and the rates of service and have exempted them stage by stage through each reformulation from the operations of the Canadian competition law.

The need to re-enact the 1979 Shipping Conferences Exemption Act created the opportunity to which the Government responded with Bill C-21. In 1982 there was a review of this matter by the Water Transport Committee of the CTC and the report to the Minister was generally favourable to the Shipping Conferences Exemption Act, 1979.

• (1330)

It is realistic to recognize that the U.S. legislation in 1984 changed the situation somewhat. Of course, various other factors are at work on the oceans these days, primarily less traffic and an over-supply of vessels. This has created a situation where it has been very difficult to operate at a profit. Whether one blames the U.S. legislation for the bankruptcies in the American lines or ascribes them to the same circumstances affecting others is an open question. It is worth recognizing, however, that the Canadian Bill arose not just in the circumstances of a change in the U.S. law but in the context of an oversupply or, one could easily say, excessive competition among lines. A good deal of service was being offered by carriers who were not in the conferences and rates were falling. It is that economic context which we need to keep in mind in considering the Bill before us today.

The U.S. legislation had several key points, and I want to single out just a few of those. First was the provision for independent action by shippers within the conferences, that is mandatory independent action on rates on 10 days' notice. That meant that if a shipper wished to come to an agreement with a carrier who was in a conference and negotiate lower rates than the conference had established, there was a provision in the law for the shipper to do so. That mandatory independent action was the first of the disruptive elements which the U.S. law threw into the operation of the shipping conferences.

The provision for service contracts which would enable an individual shipper, usually a larger shipper with a lot of business to do, to arrive at special terms with a carrier within a conference was another of the provisions which the U.S. law threw into the ocean shipping scene. The law required that not the contracts themselves but their essential terms be published and available to others who were interested in trying to match