

*Atlantic Regional Freight Assistance Act*

region, and these are measures that it was felt, and I believe hon. members will agree, ought to be put into effect as quickly as possible. There will be, of course, considerable additional legislation, and I hope in the course of my remarks to indicate some of the areas within which we will be proposing at a subsequent date amendments to existing legislation or perhaps entirely new legislation.

On March 19 of this year the house gave first reading to a bill respecting maritime freight rates for the purpose of extending beyond March 22, 1969, the so-called freeze on non-competitive freight rates within the Atlantic region which comprises the Atlantic provinces and the southeastern part of the province of Quebec south of the St. Lawrence and east of Levis, an area technically described as the "select territory" and is the area to which the Maritime Freight Rates Act of 1927 applies. The so-called freeze was extended for two years by the National Transportation Act of 1967 to give the government an opportunity to work out a more effective means of achieving the objectives of the Maritime Freight Rates Act in conformity with the changes in transport technology and patterns which have taken place in the 40 years the act has been in force. Appropriate changes could not be made when the National Transportation Act was passed because the MacPherson commission had not dealt with the matter, and further inquiries and studies were still required which had not been completed in 1966.

My immediate predecessor as Minister of Transport had asked the premiers of the four Atlantic provinces to form a joint committee to make proposals to him for a revision of transport assistance for the region, and very comprehensive and constructive proposals were made on behalf of the four premiers in early March of this year. The matter has also been studied by the Standing Committee on Transport and Communications which visited the capitals of the four provinces and held public hearings.

It is evident that comprehensive legislation to deal with the special problems of the Atlantic region cannot be brought before parliament at the present session, but it has also become clear that certain urgent changes, some going beyond the scope of Bill C-182, are required in advance of such comprehensive changes.

The government proposes, therefore, to ask parliament to consider a new bill, which is the one now before us, to make certain of

these changes at the earliest feasible date. The new bill includes in amended form the provisions of Bill C-182 but, perhaps of more importance, it extends to commercial trucking and railway express shipments the same degree of Maritime Freight Rates Act assistance that is 30 per cent, as is now paid to the railways to reduce for shippers the costs of shipments outbound from the Atlantic region. It is proposed that the necessary subsidies be paid to licensed common carriers of goods by motor vehicle who have registered their tariffs with the Canadian Transport Commission by July 15, in accordance with regulations to be made to ensure that substantially equal treatment is given to rail and road transport.

In other words, we have a commitment to put this subsidy into effect for truckers at the earliest appropriate moment and, if it can be done and these operations can be registered by July 15, then it would be our hope we could begin the program as of that date. It is proposed that the necessary subsidies, I repeat, be paid to licensed common carriers, and therefore there will be, as there is within the bill, a definition of just what constitutes a common carrier.

In order to provide the necessary funds for those subsidies which will place truckers on a basis of equality with railways on outbound traffic, it is proposed to authorize the Governor in Council to terminate the so-called freeze at an earlier date than originally contemplated in Bill C-182, thereby removing another discrimination between railways and truckers.

While the MacPherson commission and the subsequent studies have recommended the removal of the 20 per cent reduction and subsidy on railway rates within the Atlantic region, it is not proposed to remove this assistance immediately but to ask parliament to give the Governor in Council authority to remove M.F.R.A. assistance from time to time on certain commodities or classes of traffic as circumstances may warrant. Consideration was given to reducing the rate of this assistance and extending it to truckers on a temporary basis, but it seemed preferable, in conformity with the spirit of the recommendations of the Atlantic premiers with whom I discussed this matter, to set up a joint federal-provincial committee to examine the economic effects of these M.F.R.A. subsidies on rail traffic within the region and to recommend, from time to time, to the government specific and detailed methods of assistance to