## Maritime Code

If I may speak on behalf of these people, even though some accommodation has been reached, I understand, I still maintain that a service that has been satisfactory and that has offered personalized service to the people should be left as it is, instead of being moved as is currently under consideration.

I should like to move on to another aspect of the bill. Having read the debate on second reading of this bill I was very impressed with the argument put forward by my colleague, the hon. member for South Shore (Mr. Crouse), regarding the necessity for developing a Canadian merchant marine. I think the time has come for Canadians to be made aware of our shortcomings in this area and for the government to get on with the job and encourage the growth and development of this particular industry. I know government supporters will probably say that this is what is being done by Bill C-61, but I cannot see how the bill will accomplish this.

I think much of Bill C-61 is essentially negative in nature and does little to encourage shipbuilding, which is really what we must start with in developing a merchant marine. I say it is negative because its provisions restrict the right of foreign ships to carry on the transportation of goods and people from one Canadian port to another. That is negative enough, Mr. Speaker, but in addition it contains no provisions to substitute or provide additional Canadian carriers for this purpose.

If I could draw an analogy in this respect—I realize it is not exact in every respect—it would be the government's policy on energy. We in Canada have a great resource and a great reserve of oil. I believe it would be sufficient for Canadian uses for many years to come if it were handled in the proper way. It is still in the ground or in the tar sands, and requires as well additions to our transportation system. We are running into this problem and we are now facing an emergency because of the lack of foresight and planning.

## • (2140)

Now we have the government moving forward and placing restrictions on transportation before we have had an opportunity to provide for an adequate supply of Canadian carriers to transport our goods and our people from place to place. The situations are similar in respect of potential self-sufficiency in energy and potential self-sufficiency in the matter of transportation.

The measure before us calls attention to several important aspects, and I should like to comment on one or two of the statements made during the course of this debate. Let me also put on the record some facts taken from a study conducted by the government of British Columbia under the auspices of the Hon. Jack Davis, provincial minister of transport and communications. I know hon. members across the way groan whenever they hear this gentleman's name. Nevertheless he was held in fairly high regard when he was over there. We looked upon him as one who was earnestly endeavouring to fulfil the responsibilities that were his in that ministry.

Let me refer first of all to the minister's references to agreements with the maritime ministers of transport. This has been denied by some of the members taking part in this debate. They have pointed out that this was not so, [Mr. Patterson.] that they did not reach an agreement. They suggested there may have been an agreement is some particular respect, but there were so many ambiguities, so many things not above board and not on the table that there was no really effective agreement as far as the maritime ministers of transport were concerned. Certainly I do not think there was any as far as the transportation ministry of the province of British Columbia was concerned.

My colleague read from a document that pointed out just the contrary. The minister has given the assurance that all the guarantees necessary have been given and that there will be a high degree of acceptance before the implementation of these provisions.

Again I should like to refer to some statements made in the past. I am not going to take the time to document them, but we have had assurance after assurance and guarantee after guarantee, yet all of us in the House, at least those on this side, realize that the guarantees which have been given in many instances have not come to fruition, or have not been fulfilled. I think it is straining the intelligence of the people in the western part of this country to expect them to take the word of the minister that certain things are to be done and certain things will not be done. There must be more than that.

Let me now put on the record some conclusions which are drawn from the study that was conducted, as I already indicated, by the British Columbia government. I have not had time to check all these out, what amendments have been suggested or accommodations reached, but I will give some of the conclusions in order to pinpoint some of the concerns of the British Columbia government regarding Bill C-61. The conclusions drawn are:

 $1.\ A$  very powerful competitive influence on transportation rates of other modes will be lost.

2. Users of both intercoastal shipping and transcontinental transport services will be required to pay excessive and otherwise avoidable inflated freight rates when this competitive influence is lost.

3. The policy will have a significant direct negative impact on major B.C. industries, particularly those in forestry, mining and construction.

My colleague, the hon. member for Prince George-Peace River (Mr. Oberle), and also my colleague, the hon. member for Capilano (Mr. Huntington), have mentioned these particular issues.

The conclusions then continue as follows:

4. Virtually no Canadian-flag vessels exist for use in intercoastal movements, certainly not on the west coast.

5. The past history of intercoastal traffic will do little to encourage the building of Canadian vessels for the service.

6. The beneficiaries of the policy will overwhelmingly be in eastern Canada as a result of developments in off-shore and eastern Arctic resources where there is reason to give protection to Canadian interests.

7. This is not sufficient reason to include intercoastal trade, which is a totally different economic activity, in a blanket application.

8. No in depth cost-benefit analysis has been conducted to show where and to what degree these cost-benefits accrue.

This has been dealt with by a number of members and there is no need to enlarge upon it at the moment.

9. The policy, as administered and controlled through the regulations, will be slow, unresponsive and costly to B.C. interests.

 $10. \ {\rm Domestic} \ {\rm products} \ {\rm will} \ {\rm become} \ {\rm much} \ {\rm more} \ {\rm susceptible} \ {\rm to} \ {\rm substitution} \ {\rm in} \ {\rm the} \ {\rm domestic} \ {\rm market}.$