

*Atlantic Regional Freight Assistance Act*

Levis. Within that select territory rail traffic now receives a subsidy of what is in effect 20 per cent, and rail traffic that is westbound out of the select territory receives financial assistance from the federal government amounting to 30 per cent. The assistance is given on the premise and according to the principle that in a nation which stretches from coast to coast and which covers such vast and wide distances financial help must be given to carry goods from the Atlantic area into the marketplaces not only in central Canada but into the marketplaces of all of Canada.

It was on that basis that it was recognized in 1927 that something must be done. Confederation never would have come about the way it did had some undertakings not been given to the Atlantic area, which at that time had a profitable trade north and south to the New England states, partly because of sailing ships, which were the dominant mode of traffic at that time, but also because of a geographical position which lends itself to transportation north and south. Perhaps the same might be said about British Columbia where the freight traffic and business interests are more naturally directed north and south than east and west.

It was on this basis that the Maritime Freight Rates Act came about. We in the east feel that it is just as much our charter of human rights as those in the west feel about the Crowsnest Pass. The same would apply to the minister's own province where term 31 or 32 of the Act of Union brought Newfoundland into confederation in 1949. I know that at the time the minister was not swayed by the interests of Canada and by term 31 or 32 because he had some other views about Canada, views which were shared by a multitude of good people in Newfoundland. The fact is that two terms were written into the Act of Union—which unfortunately did not apply as firmly in the case of Nova Scotia in 1867—which guarantee transportation assistance to Newfoundland, because of the problems faced by that province being an island out in the Atlantic and even farther away than Nova Scotia from the markets in Canada.

So in the east we have the term 31 or 32 of the Act of Union, in the west we have the Crowsnest Pass, and in the Atlantic area, or the select territory, we have the Maritime Freight Rates Act. To me these are fundamental documents in any discussion of transportation problems in Canada.

[Mr. Nowlan.]

Following that brief preliminary historical perspective, I want to get down to the specifics of Bill C-207 which in my view does not go far enough and at the same time opens up a door the result of which would be to nullify the principle of the charter of transportation in Atlantic Canada. This bill does not go far enough in doing no more than recognizing the National Transportation Act which, as the minister well knows, was passed by parliament in the last session under the then minister of transport who is now chairman of the Canadian Transport Commission, another able man and an adopted Newfoundlander, namely Mr. Pickersgill.

I was a member of the house and a member of the Transport Committee when the transport bill was debated. One of the fundamental principles of the bill, which is now an act, was that no mode of transport, be it rail or trucks, was to be subsidized by the federal government at the expense of another mode or, to put it another way, that transportation was going to have to pay its own way. I have described it in a very general way.

What happened then? Some changes in freight traffic took place in the Atlantic area. It was not too clear whether the Maritime Freight Rates Act covered some of the changes made in the rail traffic. The truckers quite rightly asked: Since it was specified in the National Transportation Act that no subsidy would be given to any mode of transport at the expense of another, why does parliament continue to recognize the Maritime Freight Rates Act which still gives a direct subsidy to rail traffic? This question was eventually considered by the government and the minister of transport of that day, the hon. member for Trinity (Mr. Hellyer) gave some thought to the implications. Eventually Bill C-82 was brought in to give temporary assistance in the east, but the truckers continued to be left out of the picture.

Under Bill C-207, as I read it, assistance will continue to be given to rail traffic, but the only assistance that will be given to the truckers is for movement by trucks out of the select territory. In other words, initially under this act truckers will not receive any help in their operations within the Atlantic area, as will rail traffic, but only for traffic movements that are westbound, in effect beyond and west of Levis. It is only in this way that the trucking industry will be able to pick up the benefit of the 30 per cent subsidy from the federal treasury.