

basis upon which we can build our own Canadian merchant fleet and develop it in an orderly fashion so that it will not disrupt or disorient the competitive movement of our goods.

I commend these points to the chamber because they are important. I suggest this amendment is a simple attempt to make known to the foreign cartels which operate at our expense, and who make it difficult for us to get on with what we intend to do, that we are serious and intend to move in as quick and orderly a fashion as we can. I hope other members will have observations to make in this regard because it is important that people understand we are serious and intend to move.

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I was interested to hear the remarks of the hon. member for Dartmouth-Halifax East (Mr. Forrestall). Again I would say to the House that we had the benefit of very substantial argument on his particular points during our committee hearings. He has read into the record some of the proceedings in respect of this matter. Clause 10 of the bill refers to what we call in shorthand the "grandfather rights," the rights which exist in respect of certain vessels which have been in the coasting trade of Canada to continue in that trade.

I was happy to hear my friend across the way agree with the basic concept of those rights continuing for a five-year period. There does not seem to be any dispute about that. I gather his argument is for a stronger appearance or a stronger impression. His only argument seems to be that somehow we should go back to an earlier base date in calculating those five years than the one which may be the more proper formal date. Perhaps, for the information of members, it would be useful to explain the difference between the two dates. I think the date to which my hon. friend refers is September 24, 1973. This is the date upon which the former minister of transport issued a statement in conjunction with his colleagues from the Atlantic provinces following a meeting at Summerside, Prince Edward Island.

On that occasion the minister indicated that the government of Canada would be withdrawing from the British Commonwealth merchant shipping agreement. That was a general indication of intention at that particular moment of time in 1973. I would say to the members of the House that in my view that falls substantially short of what in law and justice would amount to formal notice.

● (1450)

At some time later, on April 26, 1975, the formal notice was served by Canada, as is required under the agreement which I have just mentioned, the British Commonwealth merchant shipping agreement, of our intention to withdraw from the terms of that agreement. So in the first instance we have a general statement of principle or of intention issued in the form of a press statement or a communiqué in September of 1973, followed by the required legal or international action which was necessary on our part in 1975 to accomplish in law what we indicated we would eventually be doing after September of 1973.

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The fact remains that the necessary legal steps could not be accomplished until a later date, that is until 1975, and it seems to me that it is far more than just a formality or perhaps the more polite way to proceed; it is, indeed, the legal and proper way for us to proceed to look at the later date, that is, the date in 1975, as the basic date for the calculation of those five years for the purposes of the so-called grandfather rights preserved in clause 10. We should not, and indeed cannot, go back to the earlier date in 1973 for the basis of that calculation. For these reasons, I think it is necessary and important that the House not accept this particular amendment which would terminate those rights in 1978, but in fact leave the statute in the words in which it is now phrased where those rights would expire in 1980.

Mr. Anderson: Would the parliamentary secretary allow a question?

Mr. Goodale: Yes, Mr. Speaker.

Mr. Anderson: Could he perhaps clarify a statement he made, that the British Commonwealth merchant shipping agreement requires a formal notice from a country five years prior to pulling out of the agreement? Is my understanding correct?

Mr. Goodale: No, Mr. Speaker, that is not what I said. I was commenting on the reference which the hon. member for Dartmouth-Halifax East made about the general consensus that the grandfather rights, as they are called in shorthand, in this legislation should last for a period of five years. The formal notice required to withdraw from the agreement is only one year. The five-year period is the period of existence of these rights as specified by the legislation, but the formal period of notice which is required before withdrawing from the agreement to which I referred is a notice of one year. As I have said, that notice was formally given in 1975.

The Acting Speaker (Mr. Turner): Is the House ready for the question?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): The question is on the motion of hon. member for Dartmouth-Halifax East (Mr. Forrestall). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Turner): All those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Turner): All those opposed will please say nay.

Some hon. Members: Nay.

And more than five members having risen: