

*Maritime Code*

● (1650)

**Mr. Fred McCain (Carleton-Charlotte):** Mr. Speaker, this debate is probably most notable for the fact that among the ministers whose duty confines them to the House, the Minister of Transport (Mr. Lang) and his parliamentary secretary are not included. This, in my opinion, is regrettable. It is perhaps indicative of the attitude which the government has taken toward this bill from the day of its presentation. It is most unfortunate that this should be the case.

I want to go back for just a minute to the committee meetings which were held in respect of this bill as the standing committee considered the subject matter. Several people appeared as witnesses, though a great many interested people did not appear. I think it is important that I should quote some of the things Mr. Gralewicz, for instance, said with respect to questions which were directed to him. He was asked what would be the effect upon other industries if this bill were to be made law in the form then before the committee. He said, in part:

As I said, I have never made this study. I would not know. However, the bulk carrier ocean-going vessel could not compete with lake carriers because the 730-foot lake carrier can carry umpteen million tons where the other one could not. So we would not be, we shall say, competitive.

I think we know that Mr. Gralewicz is the president of the Seafarers' International Union. With him that day was Mr. Nuss, who was counsel for the Seafarers' International Union of Canada. Some of the questions were referred to him. He said, with respect to the bill:

If there is to be a distribution of wealth in order to carry out the policy, that is what parliament is here for. That is what should be done. No matter what we do in Canada there are other places in the world where it can be done cheaper whether it be manufactured goods or transportation. We have to decide as a country that it is not merely a question of what can be done the cheapest which counts but also a question of policy that it should be done by Canadians.

I do not quarrel with the statement that it should be done by Canadians but, Mr. Speaker, what I would point out is that both Mr. Gralewicz and Mr. Nuss recognized that this is a program which cannot be introduced without government recognition of the total package. This is what the government has failed to do. I want to quote Mr. Gralewicz again:

Subsidies are given to the airlines and subsidies are given to the railroads. Why not a subsidy to the other mode of transportation which is water transportation?

But this is not being considered. He also said:

I could not compete if I were a shipowner with the airlines which are subsidized or the railroads which are subsidized unless there is some form of subsidy or some form of relaxation given, maybe on the Seaway tolls or whatever. I do not know what they need.

He asks, again, for recognition of the fact that government has a responsibility to bear in the form of assistance if this bill is to become law. It was suggested during that committee meeting that there were people whose jobs were going to become marginal as a result of the decrease in net returns which might accrue to certain coastal industries. It was in respect of this approach that Mr. Nicholson, the national vice-president of the Canadian Brotherhood of Railway Transport and General Workers' Union, said:

Yes, I think I agree, but actually no Canadian, whether he is a worker, in management or anyone else, should be required to make an unfair or disproportionate contribution to the economy. He should get some

[The Acting Speaker (Mr. Turner).]

realizable and beneficial gain from the economy. I think we are just talking about ways of doing that.

That is what we were talking about, Mr. Speaker—an opportunity to give to the Canadian seamen a part of that which is due to them from the Canadian economy. But again, there must be recognition of the fact that it cannot happen by itself, by legislation alone. In response to a question I put as follows:

As we transfer that movement of freight to the Canadian ownership under the Canadian tax structure does this not damage the competitive position of Canadian owners and seamen in the area?

Mr. Nicholson responded as follows:

That is what I meant when I said there should be a cost-benefit analysis in this particular field. And there has not been.

This is Mr. Nicholson, speaking for the Canadian Brotherhood of Railway, Transport and General Workers. I repeat his title because I think it imperative that the government and the people of this nation should understand that as the unions presented their case in connection with this bill, in every single instant they recognized that it could not happen by itself, that it might require study. To quote Mr. Nicholson again:

I think as a result of that cost-benefit study the government might well be in a better position to decide what financial arrangements have to be made and whether they are justified.

Now I would like to turn to the president of the Dominion Marine Association, as he appeared before the committee with his group of supporters. He was asked about the competitive costs of Canadian ownership of ships and the Canadian purchase of Canadian-manufactured ships in respect to cost to a Canadian purchaser or a foreign purchaser. This is what he said:

Oh yes, I see your point. You are speaking now of the STAP, the export plan, under which a foreign person can order a ship built in Canada, get our 17 per cent subsidy and get cheap money under the Export Development Corporation plan, which we cannot get. So you are right. That ship would cost the Canadian more than it would cost the foreigner.

It is, therefore, imperative that the government should recognize this additional cost to the owners and operators of ships who will take this position under this legislation. We have a certain class of Labour Code in Canada and it is not comparable to any other. Mr. Hurcomb, president of the Dominion Marine Association, said with respect to this: No, I think by and large the other nations did not fall into this pitfall. They recognized the special case of the seagoing industry, of the water borne industry. I know of no other country which has the same kind of legislation applicable to its shipping industry.

Mr. Speaker, here is another handicap which we must consider. Admiral Porter, who was also appearing before the committee, is executive director of the Canadian Shipbuilding and Ship Repairing Association. I put this question to him:

As a manufacturing structure, can you supply a Canadian shipping industry on a competitive basis at the moment or are there going to be subsidies and financial considerations required to make them competitive?

In reply, Admiral Porter said:

I think that a factor here is, of course, that every other country subsidizes its industry, and if Canada is to be competitive I suppose we have to do likewise. Perhaps I might just read you an excerpt from a study which was done by a European consulting firm. This was a study done in 1973 entitled "Shipbuilding Credits and Government Aid". This is a quotation from it: