

*Transportation*

least, this was consistent with the remarks I just made, and that is why I raised the problem at this time, since it deals precisely with the payments made by the Transportation Commission for the shipping by transportation companies which are not railway companies proper but are connected with them. This is necessarily the case in cities such as Toronto and Montreal with regard to the unloading of freight for delivery to the consignees.

Under the circumstances, I thought therefore that the matter was fully consistent with the amendment moved by the Minister of Transport.

• (8:40 p.m.)

[English]

**Mr. Pickersgill:** The amendment before the committee to subclause 469 of clause 74 has the effect only of making a provision to pay to a transportation company which is not a railway company—this applies to one company only, the Canada Steamship Lines—a certain proportion of the transitional payments made in respect of the freight rate freeze to the railway companies. This has nothing to do with any other company. What the hon. gentleman talks about would be more appropriate on clause 1 than on clause 74.

[Translation]

**Mr. Grégoire:** Mr. Chairman, I am very happy with the explanation of the Minister of Transport on the point I have raised. I would now ask the minister to enlighten me, as he suggested, on clause 1.

The minister mentions that this is done for one company only, that is the Canada Steamship Lines, which makes deliveries along the St. Lawrence river ports. I am now asking him whether regular payments are provided for this company operating coastal shipping along the St. Lawrence river ports as far as the north and the south shores of the St. Lawrence and if other companies, transport companies or private coastal shippers doing the same kind of work below Quebec toward the north or the south shores, may also benefit from the same payments and be informed, in some way or other, of the grants that are being given.

I am informed that such shipping companies, in most cases owned by the captains or by people who operate their own sail boats, or their ship, are also in need of such subsidies and I wonder if the minister could

[Mr. Grégoire.]

tell us how such people can find out about this in order to benefit from such grants as the Canada Steamship Lines has been receiving?

[English]

**Mr. Pickersgill:** I think I can explain that easily, sir. The Canada Steamship Lines had its rates frozen by the order referred to in this clause at the same time as the freight rate freeze was applied to the railways in 1958. The other companies the hon. gentleman referred to were not affected by the freeze. Practically all those companies in the lower St. Lawrence received greater or lesser subsidies from the treasury for maintaining their services. The basis is entirely different. Moreover, these payments to be made to the Canada Steamship Lines are like the payments to the railway companies: they are to be phased out. They will be reduced over a period which will not be as long as the one applied to the railway companies. It is done this way because the company needs a certain amount of time, just as the railway companies do, to adapt itself to the new law. That is the sole purpose for doing this.

**Mr. Lewis:** Mr. Chairman, I would ask the minister whether he does not think that the wording of the amendment toward the end is vague—perhaps because it was concocted in a hurry. What exactly does it mean when you say that the payment to any such transportation company shall be—

—in respect of such year of an amount based on the position of such transportation company in relation to railway companies under that order.

What kind of position is that?

**Mr. Pickersgill:** I would have said, if I may use an adjective which the hon. gentleman will realize is very specific indeed, the relative position.

**Mr. Lewis:** The relative position of what or to what? Do you not have to say?

**Mr. Pickersgill:** Some of the subsidy being paid to the railway companies is in respect of the freeze applied in 1958. The last one was in respect of a specific wage adjustment in 1964. What is meant by this language is that the other transportation company, which is not a railway company, can only participate in those subsidies which have relationship to its service, and not in those that do not have that relationship.