

required over the last number of years. As a matter of fact, the maintenance that was deemed necessary and appropriate has been carried out. I think Hon. Members should know that. They should not try to feast upon a misadventure for short-term political gain because I do not think it serves the best interests of the Seaway and it does very little to enhance credibility and confidence within the Seaway.

For the information of the Hon. Member, this year \$26.6 million was appropriated for maintenance. Last year that amount was \$33.8 million. It was a little higher due to the fact that some extensive repairs were done to the bridges as a result of the Valleyfield bridge breakdown and the repair of other bridges. In 1983-84 the expenditure for maintenance amounted to \$24.1 million. In 1982-83 it was \$19.9 million, in 1981-82 it was \$19.3 million, and in 1980-81 it was \$18.6 million.

The Hon. Member implied in his comments that maintenance expenditures were decreasing and that there was insufficient funding for maintenance. That is certainly not correct. As a matter of fact, the amount of money appropriated for maintenance has been increasing each year. Officials at the Seaway Authority have assured me that at no time have they spared expenditures in terms of maintaining the integrity and effectiveness of the Seaway system. I think it is important for all Members to know that and they should keep that in mind when commenting on this. No one like a breakdown; it is not good for the system and it is certainly not good for Canada.

I can assure Members that a contract has been awarded today to Cannon to brace and stabilize the wall. Mr. O'Neil, the President of the Seaway Authority, is meeting with the other general contractors right now to determine who will be awarded the job for the repairs. It was not a collapsed wall, but a blow-out. Until such time as we can determine the cause accurately, I think it would be best to leave the speculation to someone who is more of an authority on that than I am.

I would like to ask the Hon. Member a question. He got so wrapped up in his words about user-pay that I gathered from his comments that he had come to the point of saying that all transportation services are a service and, therefore, should be provided free. I really do not understand the rationale. Surely in the marine sector, as in the other sectors of transportation, there is always an element of cost recovery. Is the Member suggesting that we should have a level of cost recovery for the air mode, the surface mode, the rail mode, and literally a policy of no cost recovery in the marine mode?

**Mr. Hovdebo:** Mr. Speaker, I accept the Minister's explanation of the maintenance since he is obviously more knowledgeable about it than I am, it being his responsibility. I would like to say, however, that I would much rather have that \$30 million go to reduce the Seaway rates—or at least have them frozen for another couple of years—than to have it used to reduce the deficit. It was money paid in by the users and it should be given back to them.

With regard to the user-pay philosophy of the Government, as a westerner the Minister must recognize that if we do not

have some equality of transportation costs we will eventually eliminate the viability of a portion of the industry operating in the West. Had we had equality of transportation costs across the country rather than this concentration—

**Mr. Mazankowski:** That's exactly what we are trying to do.

**Mr. Hovdebo:** If we had had equality of transportation costs across the country, we would not have a concentration of industry in the "golden triangle". That is what we had hoped to do. Many countries—Argentina for example—do not charge for the transportation of grain. Perhaps we could be a little more selective. There are certain things which require assistance in order to remain competitive on the world market, and agricultural products are among them. The main use of the railways and the Seaway is for transportation of those agricultural products. Agricultural products bring in more than half of our foreign exchange, which is a benefit to all Canadians. Therefore, it would seem quite logical to provide, if necessary, free transportation for grain to keep people involved in farming and producing.

I recognize that a certain amount of cost recovery has been going on for a long time, but is it necessary to increase it? Maybe we should be taking it off the others if they are increasing. Maybe transportation should be a free service. Maybe that would make it possible for parts of Canada, which are not going to survive under the present policy of the Government, to survive.

I know I am exaggerating the possibilities in this case, but I am doing that for a reason. If we are going to spread the population across the country in the next 100 years in order that the extremities can be populated and can survive, we must deal with the inequities in costs of transportation. Those costs are based on geography rather than on anything else. Why do we not start looking at the possibility of having lower instead of higher freight rates? Prince Edward Island could sell its potatoes at a profit if it did not have such high transportation costs. Maybe that is necessary in order to have a viable industry in many parts of this country.

● (1610)

**Mr. George Baker (Gander-Twillingate):** Mr. Speaker, the Hon. Member for Egmont (Mr. Henderson) explained the purpose of Clause 4 and introduced a motion that the Bill be read a second time six months hence. The way that he feels about Clause 4, I imagine that it should not be read a second time at all, even six years hence.

However, Clause 4 is quite clear and I do not believe it is necessary for the Minister of Transport (Mr. Mazankowski) to try to evade the issue. The clause clearly states that for the purpose of defraying the cost of navigational services provided by the Canadian Coast Guard, the Governor in Council—the Minister and the Cabinet—may make regulations respecting charges relating to those services provided by the Canadian Coast Guard. What services are we talking about? The clause goes on to state, "... without limiting the generality of the foregoing...". The Government is giving the broadest inter-