

which were accepted. I am totally convinced that this Bill sets out a sensible and reasonable balance between the needs of Canadian shippers and the international carriers.

I want to commend the Members of Parliament who sat on this committee. We have all spent many years in opposition and some years in Government. We were led by the distinguished Chairman, the Hon. Member for Quebec East (Mr. Tremblay). The Hon. Member for St. Catharines (Mr. Reid), the Hon. Member for Fraser Valley East (Mr. Belsler), the Hon. Member for Dartmouth—Halifax East (Mr. Forrestall) and the Hon. Member for York East (Mr. Redway), all members of the committee, served the committee very well indeed. The Official Opposition was represented by the Hon. Member for Papineau (Mr. Ouellet), who has had many years' experience in this House and in Cabinet. He brought a lot of wisdom and advice to the committee. The Hon. Member for Thunder Bay—Nipigon (Mr. Epp), representing the New Democratic Party, presented his case well.

I believe that the committee served the new rules of Parliament very well. We had recommendations that were aggressive and had to go back to Cabinet. The Cabinet accepted the wisdom of the three Parties as represented on this legislative committee, and I think the Cabinet should be commended for accepting the committee's wisdom. Not all wisdom lies entirely in the bureaucracy and the narrow interest groups that bring some of these issues to the fore. When Members of Parliament direct themselves to a problem, it can genuinely lead to improvements in Bills. Therefore, Mr. Speaker, it is a privilege to participate on third reading.

[*Translation*]

**Hon. André Ouellet (Papineau):** Mr. Speaker, I welcome this opportunity to speak on behalf of my party at the last stage before Bill C-21 is adopted by this House.

We are all aware that the international shipping conferences play a major role in the transportation of goods between Canada and other countries. The conference system was created over a century ago as part of the trade relations between Great Britain and India. At the time, fierce competition between big ocean carriers caused a great deal of instability and uncertainty in the important export trade between these two countries.

Finally, shippers, carriers and consignees decided that all parties stood to gain from increased safety and stability in the transportation of both goods and passengers.

The resulting agreement finally formed the basis for the shipping conferences that have now spread throughout the world.

The conferences are organizations whose members, the various ocean carriers, all subscribe to the same code of conduct covering, among other things, rates and levels of service, doing so in exchange for agreements on the provision of regular services.

### *Shipping Conferences Exemption*

A typical activity of shipping conferences is monitoring price competition, since member shipping lines are obliged to charge the same rates.

In order to restrict internal competition, shipping conferences usually set limits on the number of trips that may be made by each member, as well as on the quantity of merchandise that may be carried and the number of ports members may call.

The present legislation does not require a shipper enter into a patronage contract exclusively with a carrier who is a member of a conference. In practice, however, the conferences generally insist on signing such a contract, in return for certain considerations, including discounts on the quantity of merchandise shipped.

On the other hand, a shipper may drop a patronage contract to take advantage of cheaper rates with another carrier, whether or not the latter is a member of a shipping conference.

The present legislation also protects the conferences from any legal proceedings under the Competition Act, it provides Canada with a measure of control over conference activities and gives the Canadian council of shippers the right to restrict the powers of the conferences.

Mr. Speaker, this legislation, referred to as the Shipping Conferences Exemption Act, 1979, has served our country and our trade interests very well.

However, in 1984, the United States, our neighbour to the south, passed a new Act, the U.S. Shipping Act of 1984, which not only ratifies the principle of the conference system but also includes provisions to further protect conferences in certain areas against American antitrust laws.

● (1320)

[*English*]

Canada's proximity to the United States and the fact that this country is served by a number of joint U.S.-Canada shipping conferences requires that the laws of our countries be fairly compatible on this question. That was one of the arguments put forward by the Government when it tabled this Bill.

At the outset, we in the Opposition agreed. Nevertheless, we had some serious reservations about some aspects of this legislation. The Government was trying to reconfirm the shipping conference situation, but the legislation had some clauses built in that in fact threatened the very existence of the shipping conference. We in the Opposition argued that some of these features had to be removed from the legislation. To that end, we moved a number of amendments in the legislative committee.

[*Translation*]

Mr. Speaker, in our view, the amendments improved the Bill and provided legislation that recognized the existence of the conference system without thereby jeopardizing their existence