

Canada Shipping Act

on the users of the St. Lawrence Seaway, I would hope that that proposition would become a treaty, would be signed by the President and approved by all of the states of the United States which may have a voice in the matter. Until then, I think it is unwise to add to the \$25,000 or so that it costs to ship a load of grain from the Lakehead through the St. Lawrence system.

There have been a good many documented objections presented by the people most directly concerned, and I see nothing wrong with that. I wish to refer, in part, to a letter from one of my colleagues in which he points out one of the difficulties that appears to have been overlooked by the Hon. Minister. It is in the letter of my colleague, the Hon. Member for Thunder Bay-Nipigon (Mr. Epp), at page 5 where he talks about the danger of the grain going to the south. What he points out here is that the St. Lawrence Seaway is the only inland water system in the world that has a cost recovery mandate. He refers to what has been mentioned already, the fact that the Mississippi River system and the 60-mile long Houston Canal system are 100 per cent subsidized by the American Government's Army Corps of Engineers.

There is a good deal of other documentation that has been presented to the Minister and which is before the committee to show that it is hazardous to try to claim 100 per cent recovery from this system, especially at a time of declining traffic and, therefore, declining revenue. It is particularly hazardous to apply discriminately—that is to say, to apply unevenly—the principle of cost recovery.

The Minister quotes the figure of 2 per cent to 4 per cent recovery at present. However, I believe it is a fact that in the cost he is including the amortization of the cost of the Seaway. Yet, the Minister represents a Party which, a century ago, was happy to have the Canadian Pacific Railroad built with no recovery of the cost. The Canadian Pacific Railroad has never been obliged to repay the capital cost, to repay the millions of acres of land, to repay all of the valuable mines, to repay all of the other valuable considerations which it received from the then Conservative Government and its successors in order to build a railroad across Canada. This was accepted by the Canadian people and paid by the Canadian people because our forebears believe we needed a railway to span this country.

I have not heard yet that it is seriously contended by the Government that it will reach back into history and recover the capital cost of building the Canadian Pacific Railroad. If we do hear that suggestion from this Government, we will be hearing a word or two from the CPR President, I am sure, and I am sure his donations to future election campaigns of the Progressive Conservative Party will be in jeopardy.

It is very unreasonable to sock the Seaway for the cost of building the Seaway when it is in competition with both Canadian carriers such as Canadian Pacific Railroad and American carriers such as the Mississippi River system which do not have to pay the capital costs. In the case of the Mississippi River system, not even the maintenance costs are paid.

If the United States considers it worthwhile to provide the Mississippi system as, in effect, a public utility, without charging full-recovery cost to individual users, then it seems a foolish piece of dogmatism, a foolish piece of doctrinaire capitalist dogmatism, to insist that this particular system, the Seaway, must pay full-recovery cost.

The city I represent, Toronto—I represent a good part of it, including a part that is right on the Seaway—has paid, directly and indirectly, a good deal of costs—the capital costs and the operating costs—of the Seaway. However, I do not think that there was sufficient consultation with places like the City of Toronto and the other ports on the Seaway before Clause 4 was slid into the Bill.

According to the press statement of the Hon. Minister of Transport (Mr. Mazankowski), the purpose of the Bill is simply to make improvements regarding pollution and things like that. The press statement neglected to mention the principle of cost recovery, full or partial, further cost recovery, but we have in fact Clause 4, which reads:

The said Act is further amended by adding thereto, immediately after Section 3 thereof, the following section:

"3.1 For the purpose of defraying the cost of navigational services provided by the Canadian Coast Guard, the Governor in Council may make regulations respecting charges relating to those services, including, without limiting the generality of the foregoing, aids to navigation, dredging, vessel traffic services, ice breaking services and escorting services.

Mr. Speaker, that is wide open. Given the philosophy that has been reiterated this afternoon by the Hon. Minister, cities like Toronto and shippers such as the ones that have corresponded with us have good reason to worry about what will happen if this law takes effect, if this law is passed and put into force.

Rather than saying that we should trust the Minister and trust any committees that may be set up to do the suitable thing and not to overcharge where it would cause damage to the economy, I think those questions ought to be looked at first. I think the whole matter should be deferred until the Minister can bring forward much more realistic fears as to which costs he thinks ought to be recovered and which of the users he thinks can generally be expected to pay those costs.

If he simply slaps the charges on or delegates to some committee, some officials, the job of slapping charges on and companies go under because they cannot compete at the higher rates with the American routes and those companies then disappear from the scene, it will be very hard, if not impossible, to recover the shipping industry in Canada.

I think it would be a mistake for this Parliament to adopt this Bill in anything like its present form. There are some good things in the Bill, such as those advertised by the Minister in his press release. Certain regulations are introduced, notwithstanding the anti-regulation philosophy which the Minister exhibits in other areas, but the matter of these charges threatens the existence of the industry, Mr. Speaker. There will be no charges if there is no industry. I think the Hon. Minister ought to be willing to see a halt in the processing of this Bill until there has been much more careful investigation into the