

more in the Maritimes than in any other section of the country; in fact, one-third of the traffic has borne three-quarters of the increase.

I think I should also mention that the act which came into force in 1927 approved a 30 per cent freight charge subsidy for goods shipped east of Levis, Quebec, to central Canadian markets. This was designed to place eastern manufacturers on a price parity basis with their competitors in central Canada. That is a point which should not be overlooked. It is especially important to remember this because of the centralized population, particularly in the Toronto area, within a radius of 100 miles of that city. This applies equally to Montreal and the surrounding industrial districts.

Honourable senators, I mentioned the larger type of bulk carriers. The development of such carriers is growing, and ports such as Halifax which have safe deep-water berths should attract them. I mention this also so that our friends in the Maritimes will not overlook the advantages of our fine harbours. At this stage I think I should also mention the contracts entered into between the Canadian Government and the Russian Government for the shipment of grain. I believe all that grain should be shipped through our own Canadian ports. I have in mind particularly the suitability of the ports of Halifax and Saint John for the shipment of flour, but I think both ports should share equally the benefits to be derived from the traffic. At the present time 100 per cent of the shipment are going through the Port of Saint John. I do not know whether they are more energetic and more active there than we are in Nova Scotia, but that is the situation that exists today and I feel that the Government should look into this matter with a view to distributing the shipments equally.

Hon. Mr. Brooks: You are getting most of the other freight.

Hon. Mr. Isnor: Perhaps we handle the other freight better than they do in Saint John; and of course we have a safer harbour. At any rate, I feel that these shipments should be through Canadian rather than United States ports.

No doubt the drafters of this particular bill intended to assist all parts of Canada in equal measure. If so, I feel it ought to be emphasized that all such cargo should be shipped through Canadian ports, and that all through rates by Canadian railways to and from

Canadian ports must not be greater than the rates for shipping via United States ports. I leave that thought with those who will have to consider these questions later. I sincerely trust that protection will be given to all Canadian ports.

Since this is Centennial Year, let us look back to what has happened from 1867 to the present time. My honourable friend Senator Burchill has already spoken of the feeling in the Maritimes. When we entered Confederation we felt that we were going to have direct contact and the same opportunities as other provinces to do business with central and other parts of Canada. I feel that should be emphasized, so that the commission, when appointed, will bear it in mind and see that the maritime provinces are given the thought and attention they had hoped for when entering Confederation.

Following along the same line of thought, the mere fact that a greater proportion of Atlantic region tonnage is carried by the rails compared to any other region of Canada means that any increase in rail rates resulting from Bill C-231 will hit the Atlantic provinces harder than other regions.

At this point I might mention that the lack of motor truck competition with the railways means that the railways will feel free to apply, and no doubt will apply, rate increases in the Atlantic region, yet will be reluctant to apply them in areas with effective competition such as Ontario and Quebec for fear of losing their traffic. I have mentioned that before, but it does no harm to emphasize it.

Again, without being narrow in my thinking, the Government and the country have a big financial stake in the St. Lawrence, and we all recall that when the St. Lawrence Seaway development was inaugurated it was stated that it would be self-supporting. It is not now, and never has been in such a position. At the present time it is operating with a deficit in the region of \$42 million, its true accumulated deficit being about \$76 million.

I mention this because there are some who feel that the St. Lawrence ports should continue to operate without an increased toll charge, and I feel, in fairness to the Government as well as putting the St. Lawrence ports on a par with other ports, that this increase of tolls should go into effect. I think I am right in saying that a few years ago the Leader of the Opposition (Hon. Mr. Brooks) thought otherwise, but I was happy to note when he spoke here yesterday that he thought these tolls should be increased. I hope I am not misquoting him.