

St. Lawrence Seaway Authority Act

were not ready for them. In his statement yesterday the minister had this to say with respect to claims:

—claims based upon alleged undisclosed ground and water conditions; claims based upon alleged interferences with scheduling work for various causes, including changes in plans and delays in providing plans by engineers of the authority.

That again relates to the department of which the hon. member was in charge. Therefore he will have to do a lot more explaining about the wonderful job they did together. We will have to pin him down. What happened to his engineering department that they did not make the proper investigations and explorations? He will have a terrific job to explain these things. He has the ability to get out of things if he can but the figures are there and the present minister's statement is there and the former minister is just as culpable as the engineers of his department. If he did not have qualified engineers then he could have secured them because we have them in this country. He could have got the rubber companies and others to bring their products up to date. With all the wonderful scientific achievement in this country the situation would have been improved if he had been on the job.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8.00 p.m.

Mr. Small: Mr. Chairman, in the few moments that I have at my disposal, I will try to sum up briefly one or two of the items that I have mentioned. I should like to refer particularly to something that was said by the hon. member for Welland. I was surprised to hear him say that the difficulty they ran into on this venture which caused a great deal of trouble was the fact that they found water and stone in the canal. It just ran through my mind what he expected to find there. Certainly he would expect to find water anyway. Stone was also there. If they had taken proper precautions and taken proper soundings and conducted the proper tests they would have found out about these things.

Since 1903 the Welland canal has been free of tolls. In fact, great lakes shipping since that time has been free of them by agreement with the United States that there was to be no charges or tolls on lake traffic of any kind, and that principle had been accepted down through the years. Now we find what is taking place, and it relates very much to the extra costs of the Welland canal. Some

think it is going to run about \$29 million. That is the reason why tolls are going to be imposed.

Great difficulty is going to be caused to shipping and the economy of the province of Ontario particularly because its raw supplies are tied so greatly to shipping, and the difficulty spreads out to all the rest of Canada. There will be serious repercussions later on in connection with shipping of wheat from the west. But on top of all that, instead of being charged against the country as it was in the United States, where they have absorbed the cost for dredging the Detroit river and the St. Mary river, which is not added to the cost, as we are being saddled on the Welland canal. The same thing in the St. Lawrence river before entering the seaway. They dredged that river at considerable cost and I think it would be similar to the deepening of the Welland canal. But on top of that, the United States marine department subsidized certain classes of shipping to the extent of \$750 per day. Then there is also the further subsidizing of the building of ships up to 40 per cent, particularly those that are ocean-going. That will have an adverse competitive effect on shipping in Canada. It is going to add another burden to it. Those things have not been taken care of in the consideration of lake shipping.

One thing I missed tonight when I was summing up was the gross neglect in the things that took place at the international rapids section where they ran into difficulty because they found granite which made the work that much harder and took that much longer. All these things added together result in what we have pointed out. As I pointed out previously, the extra cost entailed in what took place at Beauharnois and also in the international rapids, with the granite they found there, piled up the costs. It has delayed the opening of the St. Lawrence seaway for practically a year. That spells out only one thing, that added cost, that is also incorporated into the general cost of the whole project and it will be reflected also in the tolls being charged on the seaway itself.

Then on top of that, as I mentioned previously, is the effect of the Wiley-Dondero legislation in the United States that slants everything in their favour and they are able to cause us considerable trouble in the future with the effect that it will have on the operation of the seaway. These things all piled up lie at the door of the previous government. I think that the responsibility to a certain extent rests on the hon. member for Laurier because of what has happened. But you cannot saddle it completely on him—