

*Canada Shipping Act*

According to the minister's figures the fund would have been completely used up in the first year had there been a fund during the *Arrow* tragedy. The total does not include any compensation and, in addition, all the damage was not repaired. The clean-up extended to only about 30 of the 190 miles contaminated. The *Arrow* contained 18,000 tons and would have paid only \$2,700 into the fund. The amount of damage done can be much greater than might appear from the tonnage of the ship, depending on water currents, weather conditions and so on. When we consider the damage caused by an 18,000 ton *Arrow*, we have an idea of the damage that might have been caused by a larger vessel, say of up to 400,000 tons.

There are many more points with which I could deal at this time, but I am certain other speakers will touch on them. I am certain also that members of our party and other parties will be extremely alert during the committee hearings and during further stages of the bill. I shall touch, however, on one or two further items of concern before I resume my seat. Although it cost the people of Canada over \$3 million to clean up the *Arrow* mess, not one dime to my knowledge was recovered from the owners of the *Arrow*.

**Mr. Jamieson:** Yes.

**Mr. Rose:** Not one dime?

**Mr. Jamieson:** Does the hon. member wish me to clarify this?

**Mr. Rose:** Certainly.

**Mr. Jamieson:** There is an international fund to which the owners of vessels contribute. While the hon. member is correct in saying that we have not received anything, there is an amount of about \$1,300,000 which should be available.

**Mr. Rose:** That is very reassuring. I do agree that \$1,300,000 is essentially a much larger sum than one dime. However, this still leaves about \$2 million which the people of Canada will have to pay. Although the owner of the cargo, Imperial Oil, assisted in the clean-up operation no one, according to my information—and again the minister may care to interject—can legally establish the ownership of the vessel. This is a particular problem when dealing with foreign registry, flags of convenience and remote interlocking directorships. We do not know who owns the *Arrow*. We have our suspicions but nobody really knows. This will make the future collection of any damages somewhat of a problem because the *Arrow*, like most American and other national vessels really was flying the Jolly Roger. That is what it was doing; it was flying a flag of convenience in order to escape the responsibility for wages, working conditions, benefits and improvements in respect of its seamen, about whom the minister spoke so glowingly before lunch. Seamen aboard these ships do not enjoy modern living conditions, nor are they paid decent wages, nor are these vessels properly maintained. How will this bill

[Mr. Rose.]

assist in establishing true ownership, so that a claim against the owner has validity? I believe ownership should be declared before any ship enters our waters. Dr. McTaggart-Cowan, who was the chairman of the task force, had this to say about this situation:

In my opinion, the flag of convenience is merely a device to enable shipowners to do an end run in avoiding proper regulation of their vessels. In the case of the *Arrow* almost none of the navigational equipment was found to be in proper working order. Shipwrecks of this nature are increasing at an alarming rate and severe steps must be taken to stop these idiotic losses.

Again the minister agrees with me. That is the reason the bill is before us. I understand that. Another point is that assessment at the rate of 15 cents per ton bears no relationship to the damage a wreck could cause. It is quite conceivable that a relatively small vessel, depending on the population density near the wreck location, could cause \$1 billion in damage while a larger vessel could cause a smaller amount of damage, depending upon the situation. In other words, the assessment based on ship tonnage bears little relationships to the amount of damage its wreckage could cause.

We are pleased about the protective provisions in respect of fishermen relating to their boats and gear. However, I note that they have but a period of two years in which to make up their minds concerning whether or not there has been damage. The results of an ecological disaster may or may not show in a period of two years. Therefore, future claims of fishermen are limited for a period of two years when this period might not cover the situation. I have no suggestion in respect of a way around this situation although it would seem to me it should be covered in the legislation which is before us. I think we should also take a very careful look at this. Many of the areas in which wrecks could occur are the wetlands or tidelands. These are precisely the areas in which fish breed, and where an oil spill can cause the greatest ecological havoc. How does one compensate for birds and fish; how does one compensate in respect of such things? We should take a look in order to determine what kind of system might be devised.

I share the feelings of the hon. member for Parry Sound-Muskoka (Mr. Aiken) about this bill being brought before the committee on environmental pollution. I realize that at first glance that is the obvious committee to which the bill should be directed.

● (2:40 p.m.)

**An hon. Member:** What else?

**Mr. Rose:** That is the difficulty. In the past, amendments to the Shipping Act were considered by the Standing Committee on Transport and Communications. I should like to voice my misgivings about this bill going to the Environmental committee mentioned on two grounds. They are; first, that the committee is too small. It is representative, but it is too small, only one member of our party being on its membership; and second, as mentioned by the hon. member for Parry Sound-Muskoka