

Seaway and Canal Tolls

themselves in difficulty with regard to this suggested increase in the tolls.

I come from an area in which we have what could be considered as a marginal iron ore mine. I know that they negotiate the rail rates for the shipment of this iron ore to the closest port on the great lakes where facilities for unloading it are available. They negotiate the rates with the Canadian National Railways. I am quite sure that if they were unable to obtain the rate which they feel they require, and which is acceptable to the Canadian National Railways, they would not be in operation today, because their profit or margin is so low that they are not in a position to pay high transportation costs. I do not wish hon. members to think I am suggesting that the increased toll rates would affect this particular company, because I do not think this is the case. They ship directly across the great lakes, and I do not think their shipments would be affected. I would be very fearful, however, that there are many of these so-called marginal iron ore mines which may be affected. These mines operate on an over-pit basis. It is possible for them to move great quantities of low-grade ore so long as their transportation costs are within reason.

Generally the people who are engaged in mining the ore are the same people who convert it into steel. They are satisfied with a very low profit on the ore, because they are in the position to make up for this in the production of the steel. I would be fearful that these suggested higher tolls could result in some of these mines being closed down, with the resultant loss of employment. I believe I speak for all of northern Ontario when I say there are a great number of potential iron ore mines in this area. I believe some of these would be in operation were it not for the fact that the rail haul is too long and therefore the transportation cost is too great.

While these additional tolls may not have any affect on this situation, there is the possibility that they could. Northern Ontario perhaps is affected more by automation than many people realize. The number of lumber workers has been reduced to a great extent; the railways are continuing with the process of automation, and this too is reducing employment. If there is any possibility that these potential mines might be put into operation, we do not want to do anything which will discourage them, since this would have an affect on employment and on the economy as a whole.

[Mr. Fawcett.]

• (8:40 p.m.)

I wish to say a few words about the movement of grain. At the outset I should like to say that the mover of the motion today represents a riding in which I was born and grew up, so grain is not entirely new to me; I do know a little about grain farming. I should like to make this point also. As a result of working on the railway I found that railwaymen generally assessed the economic situation of the western farmer by the business offering on the railway. If the western farmer had money to spend, the railroader was busy; if he did not have money to spend, the railroader was not busy. When I say this I do not mean that if the western farmer was not shipping grain over our line, we were not busy. The point I am trying to make is simply that even though we did not get a great portion of his grain, when the western farmer had the grain to sell, and when he had the dollars in his pocket, he was buying implements, automobiles, and everything else. As a result, the railroad was very busy.

Therefore even though this suggested 1½ cents a bushel extra toll on grain appears small, on the whole I think it would have a very serious effect on our economy. I think we would certainly see its effects on the manufacturing industries, the transportation business and, I would say, the oil and petroleum industries as well. I do not intend to take up any more time, Mr. Speaker. I would just like to say that as far as I am concerned I thoroughly support everyone who has spoken in this house in opposition to any suggested increase of tolls on the seaway.

Mr. G. D. Clancy (Yorkton): Mr. Speaker, I do not propose to recapitulate the debate that has been going on this afternoon. I think all members of the house and the public are well aware of the history of the seaway and the reason for its being built. It was a dream 80 years ago. Let us look at what happened to it. We had to use a bit of blackmail. The Canadian government—and let me pay tribute to the Liberal government of the day—said to the Americans, "If you do not join us, we will go it alone." Frankly, Mr. Speaker, I am sorry we did not go it alone. We should have twinned the Eisenhower locks when they built them.

I am not going to argue about whether the western wheat farmer will lose 1½ cents a bushel or whether our loss through not shipping iron ore will ultimately be borne by the consumer. The basic principle is simply that