

Canada Shipping Act

the services. There are only a few cases in which tolls are applied to recover some of the costs. The railways were basically paid for and established by the Government. Freight has been almost continuously—and still is to some extent—subsidized by the Government. We continue to depend upon this type of structure although the Government has not given any indication that it will return to the Crow rate which it helped remove.

Mr. Mazankowski: Neither are you.

Mr. Hovdebo: Air travel is an area which has been traditionally paid for by Governments. Consequently, air transportation has developed in the country because the Government has taken that type of responsibility. Areas which have been traditionally paid for by the Government in the marine industry include navigational aids, dredging, ice-breakers, lock operations on canals and so on.

What will happen to these services and our country if we impose a user-pay philosophy on the transportation system? In looking at this subject perhaps we could consider when it would be possible for the Government to implement a user-pay philosophy. When does it become illogical to have a user-pay philosophy and who should make the decisions with respect to it? Had the user-fee philosophy been applied to transportation across Canada over the years, many parts of Canada would be inaccessible today. Our road, rail and air transportation system would not have been extended to many of our communities. Many of the Members in this House come from and represent those communities. Many of the industries in those communities would not be viable today if the user-pay philosophy in transportation had been in place. Mines and farms would not have been developed and operating today. It is particularly important to recognize that most of our North would still be the wilderness it was in 100 years ago if the Government had established a user-pay philosophy in 1885.

● (1550)

My predecessor from Prince Albert, the Right Hon. John Diefenbaker, during his time as Prime Minister, established a policy which was well received across northern Canada. It was called the Roads to Resources policy. It was very far-sighted, but the Liberal Opposition under Pearson at that time scoffed and called it a policy of highways from igloo to igloo. However, those highways are today the main routes to the development of much of northern Canada. That development would not have occurred had the Diefenbaker Government established a user-pay policy. Northern Canada is still reaping the benefits of that nationalistic policy of Mr. Diefenbaker. However, this Conservative Government is showing itself to be almost anti-nationalistic, anti-development, in its policy. It goes against what the Diefenbaker Government stood for and did in its term in office.

If the user-pay philosophy is put into place it will have the effect of turning back the clock. Even now the increases in freight rates imposed by the Liberal Government and maintained by this Government are making farming in certain

areas of the Prairies, particularly grain farming, unviable. If this Bill is passed, the St. Lawrence Seaway may become unviable in the very near future. The Seaway has many requirements for which the Government has accepted responsibility in the past. If we were to increase Seaway tolls a great deal, the time would come when use of the Seaway would drop. Even now it has dropped considerably, that is, 27 per cent over the last year. This kind of an increase in tolls will affect not only the people who work on the Seaway, but the industries which depend on the Seaway to get their goods to market. Canadian ports may become less desirable for export use. And those costs to the already increasing freight costs, and farming, particularly grain and meat production, become less viable in many parts of the country. Canada is so dependent on trade, and the movement of our products so basic to the survival of many industries, that any increase in transportation costs, however slight, will make many Canadian products uncompetitive on world markets. In international markets the difference between getting and losing a contract is sometimes as little as one-half cent per tonne. It seems a small amount, but when millions of tonnes are involved it can make quite a difference to a bid price.

This Bill, Mr. Speaker, and particularly Clause 4, will have an impact which has not been properly weighed by this Government. It will have a social as well as an economic impact. If we start closing farms and sawmills across the country, this small clause will have a national emotional impact. Transportation has traditionally been a service which united Canada. The migration of people across this country was made possible by our transportation system. Therefore, this user-pay philosophy will affect the basic structure of this country to an extent we are unable to recognize at this point in time. Right now there is some semblance of equality between the regions of this country and their ability to produce and sell goods on the world market. Each time you increase the cost of transporting those goods you decrease their competitiveness. You decrease the viability of a particular industry.

Therefore, I appeal to the Government to accept the motion for a six-month hoist and take a good look at the effect this Bill, in particular Clause 4, will have. I appeal to the Government to change the Bill so that it is possible for Canadian industry to export as much as it possibly can and develop as many foreign markets as it possibly can. If they approach it in that way, Mr. Speaker, I am sure that the House will pass the Bill quickly and allow the good parts of it to be put in place so that shipping would be safer and better across Canada.

● (1600)

Mr. Mazankowski: Mr. Speaker, I know that there is a temptation for Members to try to associate the \$30 million surplus in the St. Lawrence Seaway Authority account with the fact that it may have some impact upon the level of maintenance. I want to clarify that because I think the Member who just spoke clearly left that impression. I can assure him, as I have been assured by the management of the St. Lawrence Seaway Authority, that there has been no cut-back in the level of maintenance and service that has been