

*Seaway and Canal Tolls*

maritime freight rate subventions, the east-west bridge subsidies, the Hudson Bay railway, the trans-Canada highway, airports. None of these is being asked to carry its capital cost so why should the St. Lawrence seaway?

To say that there is a United States-Canada agreement is not enough. I think this is something the government should discuss in the very near future with the United States interests. I am sure that some arrangement could be arrived at that would be in the interest of this country. Then we ought to proceed with an all-Canadian seaway.

• (4:00 p.m.)

We know that traffic on the seaway is increasing but is not yet bringing in an adequate financial return. I believe that the secret of the economic success of the seaway lies in the development of maximum traffic movements of ships bearing additional cargoes. Unquestionably higher volumes of traffic movements, with a higher level of toll earnings, would automatically take care of the liquidation of assets. That liquidation would have to take place over a long period of time and not just within 50 years. I submit that the present levels of tolls, if tolls are to remain, must be considered to be at their maximum. As I said earlier, I think tolls should be abolished.

The director of the port of Chicago, Captain John J. Manley, recently called for abandonment of all tolls on the St. Lawrence seaway. I quote his words:

The U.S. should return to the traditional policy of toll-free waterways and abandon, in the interests of national welfare, the idea of recovering the cost of construction of seaway through tolls.

I submit that applies equally to us. From 1848 to 1959 there was an all-Canadian seaway between Montreal and lake Erie. This seaway was toll free for the greater part of its 111 year history, to the great benefit of our national economy. Today Canada is by far the greatest user of the seaway. This body of water plays a great part in our national well-being. The St. Lawrence seaway, stretching from Montreal to lake Ontario, is the only waterway on the North American continent on which tolls are exacted. This fact places Canadian producers of manufactured and natural products at a competitive disadvantage in the domestic and world markets. I could elaborate on that but I do not think it is necessary. I dwelt at some length on this matter on April 12, 1965.

May I conclude my remarks by saying that although this debate may be somewhat premature I sincerely believe it is worth while. This subject has not been thoroughly debated for 15 years. I hope that the St. Lawrence Seaway Authority will consider very seriously any recommendations it wishes to make after its public hearings. I hope that the government will seriously consider the authority's recommendations in the light of the burden placed on the Canadian economy by tolls. I trust that hon. members may be given an opportunity, either in committee or when discussing estimates, to delve further into the proposed recommendation to increase tolls.

I have one more criticism. I wish to criticize the seaway authority for keeping confidential and not releasing the economic report it obtained. As hon. members will remember, a great hullabaloo was raised about having independent economists report to the authority. I called the authority and asked for a copy of the report. The secretary who answered me was very polite. He was under orders and was doing his job. He said that the report could not be released as it was considered highly confidential.

How in the world is one to make submissions properly if the economic facts backing up the submissions are not made public? I cannot understand, Mr. Speaker, why the authority is trying to hide this report. It will be made available to the government. I am sure that when the matter comes before the committee on transport and communications, the report will be before that committee. I sincerely urge the Minister of Transport (Mr. Pickersgill) and the acting or associate minister to discuss with the authority the releasing of this economic report in order that those wishing to make submissions may have all the facts. The authority has nothing to hide and is laying itself open to undue criticism.

**Mr. Barnett:** Would the hon. member permit a question?

**Mr. Macaluso:** Certainly.

**Mr. Barnett:** Could the hon. member inform the house whether the 1951 debate, from which he quoted certain remarks by the then minister of transport, had to do with whether Canada would construct a seaway on its own without the participation of the United States?

**Mr. Macaluso:** No, Mr. Speaker. The effect of the debate, as reported in *Hansard* on