

*Transportation*

Governor in Council could then direct the commission to change any specific rule.

Clause agreed to.

On clause 20—*Annual report to Governor in Council.*

**Mr. Andras:** Mr. Chairman, at this stage of the bill I shall suggest an amendment, the effect of which will be to introduce a new clause 20 and the subsequent clauses will require to be renumbered. I hope that my explanation for this action will commend the amendment to hon. members and will receive their support.

The bill before the house defines a national transportation policy. Inherent in that policy and essential to its success is the application of the principle that each mode of transport is to compete in order that there be an economic, adequate and efficient transportation system making the best use of all available transport modes in the country.

Many representations have been made about Bill No. C-231 and I think that the standing committee on transport and communications has done an excellent job. The committee certainly heard many submissions and it has approved many amendments in order to make the bill a more effective piece of legislation. But there is one very important development in the field of transportation which I personally should like to see the bill cover more fully, and I refer to the power of one form of transport to enter another transportation field and, as it were, to buy up and control the competition.

One of the more important principles in Bill No. C-231 is that whenever competition exists in transportation that competition should work to the advantage of the people of Canada. The interplay of competition certainly produces new and better ways of moving freight. It suggests new ways of reducing costs and is a strong restraining force on freight rates. We are dealing with a bill which will establish a new pattern of growth and development for all modes of transport under federal jurisdiction, and it seems to me that to fail to include in that bill a provision which will give some safeguard to the continuance of competition would undermine the bill's objective of competition in the transportation field.

I acknowledge that there are situations in which common ownership of competing modes of transport may be in the public interest. For example, I can see certain situations in which the use of trucks by railways, not just in urban areas for pick-up and delivery but on

intercity routes, may definitely establish a desirable integration of services. However, I also believe that we should empower the new Canadian Transport Commission to take a look at the ability of one mode of transport to gain control of a competing mode. I believe that the commission should have the authority in the public interest to restrain any policy or action by one mode of transport which would permit it to use its economic power to gain monopolistic control and to manipulate, as it were, competitive transport media.

In the Atlantic provinces and in western Canada the issue of control of one mode of transport by another is probably of greater public import than in central Canada. The extensive network of inland waterways and transportation services such as there is in central Canada does not exist in the Atlantic provinces or in the west. In the Atlantic provinces and in the west there are not as many trucking firms to compete with the railways.

I do not think that the entry of one form of transport into another can be dealt with by attempting to turn back the clock. I would be against disrupting the present pattern of services by suggesting that any form of transport be forced to divest itself of control of facilities which to date were legitimately acquired. I think we should perhaps accept the status quo as we find it at this time, but I also believe we have to look into the future and plan for the future. In particular, we should ensure that no sudden move can be made outside the authority of the Canadian Transport Commission to change radically the composition of the Canadian transportation industry by one mode deciding on its own how much of a competing mode it will acquire. I think that one form of transport should perhaps be able to experiment and to develop services in another mode, but I do not think that the public interest of this country will be served if moves are permitted in the transportation field which will seriously affect the amount of competition between the modes.

Accordingly, with that in mind I move:

That Bill C-231 be amended

(a) by inserting immediately after clause 19 on page 12 of the bill, as reprinted, the following: Notice of proposed Acquisition.

"20. (1) A railway company, commodity pipeline company, company engaged in water transportation, or person operating a motor vehicle undertaking or an air carrier, to which the legislative jurisdiction of parliament of Canada extends, that proposes to acquire, directly or indirectly, an interest, by purchase, lease, merger, consolidation or otherwise, in the business or undertaking of any person whose principal business is transportation, whether or not such business or undertaking is