

*Supply—Transport*

**Mr. Pickersgill:** It is the only supplementary item.

**Mr. Barnett:** The only supplementary item. However, I do not think I will be misleading the house if I draw to the attention of the minister the comparison of the totals for western local services and eastern local services.

**Mr. Pickersgill:** Could I interrupt the hon. member in the hope that he will perhaps not want to continue this line of argument very much further. Would he look at the amount of the subsidies paid by the government of Canada for building ferries for the B.C. ferry service? I think he will then reach the conclusion that there is not such a disproportionate situation as the supplementaries would seem to indicate.

**Mr. Barnett:** I am not going to quarrel about the amount paid for the building of B.C. ferries. I do not know how that figure would contrast with what might be paid for the building of ships on the Atlantic coast. The point about which I was going to inquire of the minister was whether he might possibly be interested in, shall we say, swapping constituencies for a couple of years having in mind that it might redress the balance of payments between the eastern and western coasts?

**Mr. Pickersgill:** If the hon. gentleman will guarantee me 75 per cent of the vote and be my election agent I will consider his offer.

**Mr. Barnett:** It will have to be understood that there will be no politicking involved but rather a straight matter of serving the constituents.

**Mr. Muir (Cape Breton North and Victoria):** Mr. Chairman, with regard to the vote of eastern local services may I say I realize the minister's skill and capabilities, and possibly he does not carry the information in his mind, but I should like to refer now to the Sydney-St. Lawrence coastal service along the coast of Cape Breton. There may have been something in the main estimates but I do not see it here.

**Mr. Pickersgill:** I am afraid I am only briefed tonight to speak about the supplementaries, but if the hon. gentleman wants any information about the main estimates and will give me a note I will be very glad to look up the information.

**Mr. Muir (Cape Breton North and Victoria):** The only reason I mention the matter now is that there has been some talk in the past

[Mr. Barnett.]

three or four weeks that this service will not operate this spring.

**Mr. Pickersgill:** If the hon. gentleman will write me a letter I will look into the matter right away.

Item agreed to.

St. Lawrence seaway authority—

107d. Payment as of January 1, 1965 to the St. Lawrence seaway authority, upon application, approved by the Minister of Transport, made by the authority to the Minister of Finance, to reimburse the authority in respect of the accumulated Welland canal deficit incurred by the authority for the calendar years 1959-64, \$27,092,866.

**Mr. Aiken:** Mr. Chairman, this is a substantial item and I should like to ask how it has arisen. It is a cumulative item for a period of five years which apparently has not been brought up to date previously. Second, I should like to know why it now appears before us in these supplementary estimates.

**Mr. Pickersgill:** The hon. gentleman may remember that it was intended to have tolls imposed on the Welland canal. A decision was made some years ago not to impose tolls. When the twinning program was announced there was some thought that in view of the additional expenditure tolls might perhaps be imposed as was contemplated in the original legislation but they were not imposed. The St. Lawrence seaway authority then represented to the government that it was rather unfair to burden the accounts of the seaway with the cost of the Welland canal when it was not allowed to charge tolls to offset the expenditure. Therefore it was decided that as long as there were no tolls on the Welland canal any expenditures thereon should be made directly out of the treasury and not out of the revenues of the St. Lawrence seaway authority. There are two items that cover this bookkeeping transaction and that is precisely what it is. One of them is this item and the other is the loan item, and perhaps this explanation will do for both.

Item agreed to.

147d. To authorize, upon application approved by the Minister of Transport, made by the St. Lawrence seaway authority to the Minister of Finance, (a) the conversion as of January 1, 1965 of \$21,800,000 of indebtedness by the authority to Her Majesty to an interest free loan repayable on such terms and conditions as may be determined by the Minister of Finance, which represents the principal owing to Her Majesty as of January 1, 1965, in respect of certain loans made by the Minister of Finance to the authority pursuant to section 25 of the St. Lawrence Seaway Authority Act and (b) loans to the St. Lawrence seaway