

*Maritime Code*

I wish to quote another story, not from the Halifax *Chronicle-Herald* because I would not want hon. members to think I am prejudiced. This story, involving the St. Lawrence Seaway, appeared in that great paper, the *Montreal Gazette*.

Those of us in the deep east have always been glad to bring part of the sea into the heartland of Canada through the St. Lawrence Seaway. It has not helped us in terms of developing viable industries, but we are largely Canadian, notwithstanding some of the small Canadian talk we have heard in this parliament in the past few days.

The Seaway is a fact of life. If it ever starts paying its way, we will not begrudge it. However, we will begrudge it if it does not start to pay its way or forgive some of the debt that has accumulated.

I want to refer to a story on page 54 of the May 25 *Gazette*—I did not know it had that many pages—where it states, and I quote:

● (2120)

The federal government's shipping advisory board expects to make its first recommendations on federal support for a Canadian merchant marine by this summer, according to a board official.

This is dated little more than a month ago. In other words, a creature of the government, the Shipping Advisory Board, is expected to make its first recommendation by this summer concerning a merchant marine for Canada. The article goes on:

A key element in forming the recommendations will be a series of cost-benefit studies now under way. Roland Murray, a senior adviser to the federal transport ministry, told a meeting of the Naval Officers' Association of Canada, Montreal Branch.

Before the House leader gets us too far down the road beyond return, or to use nautical language, before he gets us into the locks and pulls the plug and leaves us high and dry, surely he has some responsibility or rather the government has some duty to let us know what the results of these cost-benefit studies show. It is obvious there is some work going on but the minister has completely omitted to tell us about it.

Further on in this article in the *Gazette* we read:

Murray, who heads the board's working committee, said there can be no policy recommendations to the transport minister until the board sees the conclusion of 20 studies it has commissioned covering such areas as international agreements, labour, shipping rates and shipping in the Arctic.

These studies are being carried on through an agency of the federal government yet we know nothing about what they tell us.

It really gives one cause for concern when knowledgeable people within the industry draw attention to these things. For example, Michael Bell, senior vice-president of Federal Commerce and Navigation Limited, has stated that Canadian registered ships can only be profitable in areas in which they have a special advantage which offsets high Canadian labour costs. One such area would be the operation of bulk carriers and tankers especially designed to operate in the Canadian Arctic.

I would call attention to the following paragraph in the article from which I have already quoted:

[Mr. Nowlan.]

Bell estimated that a blanket policy of using Canadian ships for Canadian trade would drive up shipping costs by as much as \$400 million requiring an annual government subsidy of that amount if rates for users were to remain unchanged.

Is it any wonder, when such views are expressed by people with more knowledge of the marine industry than I have, that any objective member on the opposition side would ask to see the conclusions of these cost-benefit studies which are presently being undertaken, or that the government should be urged at least to deal candidly with the taxpayers? In the absence of subsidies, shipping rates are bound to go up and those living in the extreme east and west of our country will be faced with costs which are even higher by comparison with those borne by central Canada.

I realize there are many others who wish to speak in this debate. There are many other aspects with which I should like to deal but I shall make no attempt to cover them all. I might point out that the concern I feel with respect to this bill is widely shared.

The hon. member for Carleton-Charlotte earlier read into the record certain parts of the communiqué issued by the Atlantic premiers. I should like to read now a telegram dated May 26, 1976, again a little over a month ago, and addressed to the Minister of Transport. It was sent by the Chairman of the Council of Maritime Premiers, Premier A. B. Campbell of Prince Edward Island. Incidentally Premier Campbell is a great friend of mine—we went to law school at the same time—though he and I do not wear the same political stripe. I believe the parliamentary secretary was asked about the situation outlined here but I am not sure whether he gave a full answer as to whether there had been any meaningful consultation with the Atlantic premiers since their meeting. The telegram reads:

Further to our telex to you of December 16, 1975, and other representations made to you and your predecessor, we are still deeply concerned about Bill C-61. Recent representations from industry have heightened this concern, giving it a new dimension.

In view of this, we now urge you to take action which will retain for Atlantic industries their access to non-Canadian vessels for the coasting trade without serious impediment in the form of the necessity for either expensive or difficult-to-obtain waivers, licences or permits. Availability of suitable vessels and their cost should be the criteria for the selection of carriers, with the decision resting with the shipper.

Existing industry and future industrial development in the Atlantic provinces will be seriously affected if this bill, and those regulations of which we have been made aware to date, come into effect. This legislation would tend to transform the Atlantic provinces into inland provinces insofar as coastal shipping is concerned without their concomitant advantages. High transportation cost to and from markets is already one of the most serious obstacles restricting growth in this region. By restricting competition, Bill C-61 will increase these costs for water, rail or truck.

We urge you to withdraw or change this legislation as it pertains to coastal shipping and to permit the use of non-Canadian vessels according to the dictates of availability and cost, thereby enabling our industries to benefit from one of this region's natural advantages.

That is signed by the three Atlantic premiers, two of whom happen to be Liberal premiers. Political stripe means nothing when something as fundamental as Bill C-61, the maritime code bill, is going through the House, a measure which is bound to affect Atlantic interests so directly. Those of us who come from Atlantic Canada, together with members from west coast constituencies who are familiar with marine traffic, are obviously among the most vociferous in expressing concern.