

*Seaway and Canal Tolls*

should certainly not be applied to the Welland ship canal. However, they get around the problem by imposing a lockage fee.

I have stated before, as have others, that I do not think the public hearings will change the minds of the management of the St. Lawrence Seaway Authority. I certainly hope they do, but the speech made by one of the members of the St. Lawrence Seaway Authority in Winnipeg last week seemed to indicate that he was not thinking of changing his mind as a result of the public hearings.

In one sense I should have liked to see this matter debated by the standing committee on transport and communications. However, I cannot blame hon. members for bringing up the matter in the house because it is now 15 years since there was a debate on the St. Lawrence seaway. The first and last debate was in 1951.

If I may return to that debate for a moment, it is interesting to note that the then minister of transport, Hon. Lionel Chevrier, made a statement which is reported at page 1576 of *Hansard* for December 4, 1951. He said:

Why is the project necessary from a navigation standpoint? . . . Now, it also promises to be the key that will unlock the future for the iron ore fields of Quebec and Labrador. It will open large new markets for these ores in the Great Lakes area, otherwise largely out of economic reach. And on the other side of the coin it will give those interior steel mills the best new source of ore at the lowest cost, a matter of serious concern at the moment.

If it was a matter of serious concern in 1951 to have low-cost water transportation, then it is even more important today if we are to compete in foreign markets and increase our export trade, especially in steel and other finished products.

Mr. Chevrier, whose remarks in 1951 apply equally strongly today, continued:

What will be the effect on the railways of Canada? I do not think that the fortunes of the railways nor the economy of the railways would be materially affected by this project. For one thing, almost half the seaway traffic foreseen is in iron ore. That is traffic which does not exist at the moment in so far as the lower St. Lawrence is concerned, and in so far as the railways are concerned it is new traffic.

Then at page 1580 he concluded as follows:

In conclusion, let me summarize the government's view in a very few words. We believe that Canada needs the St. Lawrence seaway and power development at the earliest possible date. We believe that it is important for economic development and urgent for national defence.

I am not interested at the moment in the national defence aspect, but the matter is

[Mr. Macaluso.]

just as important today, if not more so, from the point of view of the economic development of this country. I do not know where we would have been today, with the large sales of wheat we have made to Communist China, Russia and other countries, had the St. Lawrence seaway not been in operation.

As I said in April of last year, I feel that the Canadian government made a mistake and that it should have built the St. Lawrence seaway at its own cost without help from the United States. We did not really need their help. Facilities are now erected at Cornwall which would enable the seaway to be all-Canadian. I suggest that we should proceed to complete an all-Canadian seaway and be the masters of the seaway because it is more important to our economy than to that of the United States.

It is interesting to note that there is great opposition in the United States to the increase. In March of 1964 Senator Proxmire of Wisconsin wrote to commerce secretary Luther H. Hodges as follows:

—any increase in . . . tolls will diminish revenues—

Of the seaway.

—because shipping will drop off substantially.

Increased shipping in the Great Lakes is vital to our entire economy.

Then Senator Proxmire went on:

For many products, including grain from the midwest, the Great Lakes should be the most efficient route for distribution, especially to foreign markets. This efficient distribution should not be hampered by the excessive and unreasonable seaway tolls.

We are told, Mr. Speaker, that the tolls are not going to be excessive, that they are not unreasonable. I think we should revert to the Canadian tradition of toll free waterways in this country. I suggest that those who say the seaway if being subsidized look at the extent of discrimination in tolls on the seaway and canal traffic. I submit that no other form of transportation has ever been placed under an obligation to reimburse the national treasury for moneys which have been invested in it under a national development policy, because the seaway was constructed as a matter of policy to stimulate our economic development.

How great this discrimination is has been very interestingly documented in a submission by the Dominion Marine Association regarding seaway tolls of the St. Lawrence Seaway Authority. They give certain examples. For instance, the Canadian National Railways is subsidized. Then there are the