

Government Orders

Like my Bloc colleagues, I deplore the fact that this government did not include in the bill a clause explicitly prohibiting foreigners from holding a majority of shares. Today, I will try to explain to the Minister of Transport and all his colleagues how important it is to encourage local purchase by local investors if possible or any concrete gesture through short-line railways.

Railways have played an important part in the development of my region and many others, and they can still play this role if we make the effort of identifying the needs of people in the regions and helping them meet these needs. May I point out that we are not dependent on the U.S., and yet the danger is real. The presence of Goldman Sachs, an American firm, among the brokers appointed by the government confirms the government's need to issue shares outside the Canadian stock market.

We also know that American investors are used to assessing railway companies. There are at least a dozen on the stock exchange list in the U.S., while in Canada, there is only CP, hence the risk that less informed Canadian investors may not recognize a good deal when they see it. That is why I propose that clause 8(5) be deleted or at least amended to apply only to Canadians.

To conclude, if the railway system was the connecting link for all the regions of this country, and promoted its development, why is it that today, on the eve of the 21st century, we are not able to find innovative ways of making it profitable? The railway is an essential public utility, connecting people and businesses.

• (1335)

If a committee to save the railway system were set up, I am sure that we could come up with solutions, because I am still convinced that solutions do exist and that short-line railways are part of the solution. Personally, I think that privatizing CN is not a bad idea in itself since investors are needed to boost the rail industry if it is to become more performing and modern. And I think that regional business functions may offer solutions.

Privatizing must take place in the interests of all stakeholders: customers, employers and employees. In terms of profitability, CN is not doing as bad as in 1992, with estimated profits for 1994 between \$240 million and \$250 million.

Perhaps we have the time and resources to make the right choices. Let us take the time to weigh up the pros and cons of Bill C-89 to try to make up for the mass of not so great decisions made by rail officials and our governments over the past 20 years.

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, I am pleased to participate in the debate on Bill C-89, which seeks to privatize CN. First, it should be remembered that the Canadian National was always a symbol of unity, with its lines crossing

the country from east to west and going deep into remote regions. However, that symbol is disintegrating, just like federalism, and no longer meets the aspirations and needs of Canadians.

I agree with the Minister of Transport when he says that, given its current structure, CN is not a profitable venture. And CN must remain competitive. Maintaining our national railway in the long term implies government ownership in the short term.

For reasons of profitability, and in an effort to find solutions to eliminate CN's growing deficit, the government must ensure the maintenance of an adequate service, particularly in remote areas which are not served by any other public means of transportation.

Let me give you some figures. My riding of Champlain is served by two CN-operated railroad lines, Montreal-Senneterre and Montreal-Jonquière. According to a 1992 Via Rail survey on the origin and destination of travellers, 56 per cent of passengers on the Montreal-Senneterre line were either going to or coming from a remote destination. Twenty two per cent of the respondents said that their point of departure or their destination was otherwise only accessible by bush roads. In the early nineties, Transport Canada found that 38,000 trips were made on that line, with over 60 per cent of them originating or ending in remote communities or places otherwise only accessible by bush roads.

The same survey showed that 26 per cent of all passengers on the Montreal-Jonquière line were going to or coming from a remote community. Seven per cent of respondents said that bush roads were the only alternative. In 1992, Transport Canada found that close to 20,000 trips were made on the Montreal-Jonquière line, with over 26 per cent of them originating or ending in remote communities or places otherwise only accessible by bush roads.

It should be noted that, after a decrease in the number of users in 1990, there has been a significant increase, in the last two years, in the number of travellers on these two lines, in spite of a lack of marketing and poorer services, a well-known fact. Just think of the environmental disaster resulting from the derailment in the Tawachiche ZEC, close to the municipality of Sainte-Thècle, in my riding of Champlain.

Of course, the railway service in the southern part of these two lines has to compete with other means of transportation. Given the length of the trip, the unaccommodating schedules, their infrequency and our individualized travelling habits, the train in its current incarnation is not competitive.

However, it does contribute to the autonomy of residents of remote areas, it is an efficient evacuation method in case of natural disaster and it could be at the heart of economic development or promote tourism, if it were more enthusiastically supported and its publicity campaigns better targeted.