

HOUSE OF COMMONS

Monday, April 30, 1990

The House met at 1 p.m.

Prayers

GOVERNMENT ORDERS

• (1310)

[*English*]

RAILWAY ACT

MEASURE TO AMEND

The House resumed from Tuesday, February 20, consideration of the motion of Mr. Lewis that Bill C-26, an act to amend the Railway Act (grain and flour subsidies), be read the second time and referred to a legislative committee; and the amendment of Ms. Clancy (p. 8227).

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I welcome the opportunity to contribute to this debate today on Bill C-26, and in particular to address the amendment by my colleague, the member for Halifax, that this bill be put over for six months and, hopefully, not returned.

Bill C-26 bears a rather inoffensive title: "An Act to amend the Railway Act (grain and flour subsidies)". However, as the agricultural community knows, and the farmers and the transportation community in Atlantic Canada in particular know, especially those involved with the ports of Halifax and Saint John, the innocuous title of the bill betrays its real purposes.

This is a bill, in fact, which purports to give *ex post* legitimacy to the elimination of a statutory subsidy, the at and east subsidy which has been in place since 1966 on the eastward movement of export grain and flour. This is a subsidy which is enshrined in the Railway Act and which was eliminated without recourse to Parliament on July 16 of last year.

Bill C-26 is an act to effectively shut down the grain terminals at Saint John and Halifax and to shut these

ports out of the movement of Canadian grain and flour for export. It is an act to limit competition. It is an act to limit the alternative routes of transportation for the movement of a vital Canadian export and a vital Canadian commodity and to withdraw one more component in the web of support that is so essential to the marketing and movement of our Canadian agricultural products and the support of our agricultural community, be it in eastern Canada, central Canada or western Canada.

It is an act to penalize, through higher feed costs, our livestock producers in Nova Scotia, Prince Edward Island and New Brunswick, and to make it even more difficult for them to remain viable, to supply local markets and to generate an export surplus for the Atlantic economy to contribute to the export base of our economy. This act will result in higher feed grain costs and higher food costs for Atlantic consumers as these costs are passed on.

Bill C-26 is an act of contempt for Parliament. It is an act of contempt for the rightful role of this Chamber to debate government initiatives, in particular government initiatives arising from statutes of Parliament before these initiatives are implemented.

In this case, the deed has already been done. The at and east subsidy has been removed. On July 16, 1989, it stopped. The day Bill C-26 was read to this House, before there was ever any debate about it, the at and east subsidy, which has been in place for nearly 30 years, was cut off. Since then the subsidy payments to the rail carriers have stopped and the rail companies, CN and CP, have raised their rates correspondingly, not only to the compensatory rates which were the levels to which subsidization was provided under the at and east program, but in fact to the full commercial rates. In fact, the rail companies, in the absence of the at and east program, are charging what the traffic will bear.

We are seeing, quite predictably, that the traffic will not bear the higher rates. In Atlantic Canada the traffic has already begun to dry up. The main elevator in Saint John, which owed its existence to the at and east rates, has closed. Forty jobs at the grain elevator have gone as have another 70 person-years in the stevedoring and