

Canada Ports Corporation Act

operation of the port. This is a local corporation responsibility. Second, there is the setting of commercial rates. Third, there is the responsibility for all personnel matters. Fourth, there is the tendering and contracting within new designated limits. Fifth, there is the management of port property. And the sixth one, which I should have first, is the appointment of the chief executive officer of the port. The appointment of the manager of the port is obviously symbolic of the transfer of power from the National Harbours Board Act to the local port corporation.

I was in Montreal during the weekend. The chairman of the National Harbours Board referred to Mr. Beshwaty as "my general manager". The president of the Montreal authority referred to the same gentleman as "my general manager". In this case one person was speaking for the present and the other person was speaking for the future. So it is a very important change.

In general terms, the local port corporation will be responsible and accountable to the Canada ports, corporation for maintaining the port in a financially viable position. To ensure that the decision and management initiatives of the local port corporations are consistent with national policy objectives, that they make the best use of their resources and serve the best interests of the users, the Canada ports corporation will approve the annual capital and operating budgets of the local port corporations. It will also monitor their actual performance. This will be done in much the same way as a large private corporation would oversee its subsidiaries.

Financial viability is an important aspect of the new policy. The capability of an individual port to sustain its operation is one of the main criteria for the very establishment of the local port corporation. Other criteria, by the way, include the national and regional significance of a port and the degree of local interest in the affairs of the port.

On the other hand, financial viability is not the only criterion governing port development. It is recognized that ports form an important element of broader regional economic development schemes and that large port investment requirements cannot always be met from port revenues at the outset. In other words, the port may not have the means to achieve its full development. Consequently, the legislation contains a provision whereby the government may give directives to the Canada ports corporation, to undertake ports development in the national and regional interest.

An hon. Member: I have a question.

Mr. Pepin: I will entertain questions afterwards.

Having given such a directive, the government, in the circumstances, when the capacity of the local corporation is not great enough, will be expected to provide assistance by way of a grant or otherwise.

Again there is a balance—the theme of balance being my main theme tonight—between the commercial objectives of individual ports which help ensure their efficient operation with a high degree of autonomy, and the broader government

objectives relating to regional and national economic development.

How will this be set up, Mr. Speaker? It is hoped that within 18 months of proclamation of this bill, the new board of the Canada ports corporation will have examined all the former National Harbours Board ports and will have recommended to the Minister of Transport which ones meet the criteria of local port corporation status. An order in council will be needed to create such a local port corporation.

How many National Harbours Board ports are likely to become local port corporations? That is a question that the board of the new corporation will address and on which it will make a recommendation to the minister. At this time I expect that most National Harbours Board ports will seek and should be able to attain this status, so it will be very much open to them to make their case.

I should say a few words, Mr. Speaker, on the amendments to the Government Harbours and Piers Act. The amendments to that act propose to redress the situation of divided responsibilities, by consolidating into a revised act, to be called the public harbours and ports facilities act, all of the responsibilities necessary to plan and fund maintenance and capital works for these public facilities. Again, that type of port will be asked to apply a common statement of objectives.

I have a few words to say, Mr. Speaker, on amendments to the Harbour Commissions Act of 1964. As all members know, there are seven ports now—four in British Columbia and three in Ontario—administered under this newest of port acts. This act already recognizes the objectives of local autonomy, as we all know. In fact, these ports provide an excellent example of how well the concept of autonomy can work. This act is therefore subject only to minor amendments, it being the most modern and most recently passed. The statement of objectives mentioned previously, is added. The section on the establishment or dissolution of a harbour commission is amended to permit the transfer of any one of the present National Harbours Board ports to commission status without need to amend the law.

There are a few words to be said also, Mr. Speaker, about the process of consultation and about the regional and local participation in the administration of this new bill.

• (2130)

First, the new Canada ports corporation provides for full regional participation on its board of directors—and I mention en passant that there will be a maximum of 17 members on that board—and local participation also at the port corporation level, so there will be plenty of participation both in the maxi and in the mini corporations. Harbours commissions already have local participation in their administrations, as we well know. Public harbours and port facilities will benefit from greater delegation of authority to the regional port administrations of the Department of Transport as well as the establishment of public harbour advisory committees.

However, one of the major weaknesses of the present port system lies in the absence of an identified body responsible for