

Government Orders

special legislation tabled by the Liberal government to put the railway companies and their employees back to work, much was made of the importance of the railways for the economy in general.

Oddly enough, the railways were called an essential national service, so that the government could force a settlement during this latest dispute, while in our region we had to fight to justify maintaining sections of the railway network in order to preserve our principal means of shipping our natural resources, our mining and forestry products.

Despite the importance of the railways, the reason for their decline is simple: no government has ever made a serious attempt to remedy the situation when there was still time, although it provided substantial grants for operating the railways.

We have been trying to placate unions for too long, instead of searching for efficient or cost-effective solutions for both the employer and the employee. What effort has this government or previous governments made to promote this means of transport over the past 20 years? Absolutely none. We can sum up the actions of the successive governments by the word "cuts" and the federal leitmotiv "we cannot afford it". Infusions of capital were certainly not the best solution, as we can see by the results today.

Over the past twenty years or more, the only notable things about the coast to coast rail system have been staff cuts, abandonment of lines and cuts to client services. Instead of investing in this great Canadian asset and creating jobs, the government is cutting.

On the other hand, the government found a way to meet the needs of western grain transporters, justifying itself by saying that we need international trade and that our wheat producers have to be competitive. Why did the government not place the same importance on the transport of wood and minerals from northern Quebec and northern Ontario?

Natural resources, and the jobs they create, are the foundation of our economy. The executives controlling rail transport in this country exhibited a flagrant lack of leadership skills. They failed to rationalize an essential service and to make it cost effective when they had the chance. They neglected their responsibilities by letting rolling stock age without replacing or improving it.

The longer they let it go, the higher the costs of getting the equipment back on track. They had gotten so behind in their upkeep and replacement of rolling stock that the situation came to a head at the beginning of the 1970s. The situation only worsened under VIA which, with the weather beaten material it inherited from CN, was never able to break even.

• (1330)

Furthermore, the leaders at the time denied the importance of also maintaining efficient, competitive and aggressive passen-

ger service, deeming it less profitable than freight transportation and not essential because road transportation was available by car or bus. Through its policy, the government supported this situation rather than look for solutions that would put the industry back on a solid footing and would serve the real needs of the communities affected by the flood of lost jobs and services.

Is the government trying to isolate distant localities once and for all by taking away their trains, airports, TV stations and even the social programs the people have contributed to in large and ever growing measure? No study has compared the huge costs of highway maintenance with rail line maintenance in northern regions such as Abitibi, with its notorious climate. The potential end of rail transportation could mean increasingly poor roads. The people in my riding know about this problem. They are faced with increasing numbers of trucks on the road, since the railway was not competitive and lacked the services to compete with the trucking industry.

In my region, this type of transportation is causing a lot of problems, since the highways were not designed to take such heavy loads. It is always the same problem, unfortunately—a lack of consultation. Government makes decisions without consulting the regions and without taking their particular needs into account. Even today, privatizing CN as outlined in this bill does not guarantee that services will be maintained in outlying areas. In spite of this, the federal government gives itself the power to interfere in short-line railway operations through clause 16 of Bill C-89.

This is totally unacceptable, since short-line railways were created thanks to the initiative of rail staff and unions, who took the risks that our leaders had avoided taking in the past. These people feel that some sections abandoned by CN and the government can become profitable through sound management. To fulfil their potential, short-line railways also needed the operating flexibility that only provincial regulations could provide.

It would be dishonest for the government to discourage the creation of short-line railways, or to try to hamper the development or operations of those already in existence by interfering whenever it feels like it. The short-line railway in my riding of Abitibi is a very good example of a CN section. It meets with the Lac-Saint-Jean line. We managed to rescue it from abandonment with all the attendant advantages for our region in terms of jobs, economic benefits, development, transport, and so on.

I would also like to take this opportunity to address clause 8 of this bill. As it now stands, this clause is unacceptable. Let me explain. The government plans to sell most of CN, an institution over 100 years old, through the largest share issue in Canadian history, which would amount to some \$2 billion.