

tion in the reactivation of the Come-by-Chance refinery. The government, of course, would welcome reopening of this plant by an entity that could provide the needed technical and financial resources. It would be understood that any proposal by a foreign controlled agency would require the approval of the Foreign Investment Review Agency.

Concerning the activity of Petro-Canada with respect to this refinery, I can say that the corporation has had a consultant's report prepared in connection with its appraisal of the possible business opportunities presented by the Come-by-Chance situation. This was not a report to the Minister of Energy, Mines and Resources (Mr. Gillespie), but rather to the corporation. Members will realize that there are very large demands being made on Petro-Canada and, for the present, the corporation's priorities lie with oil and gas resources development rather than with refining and marketing.

The federal government will continue to keep the Come-by-Chance situation under study and will encourage consideration of any plan that would make provision for the rather large amounts of capital that would be required to reactivate the refinery and find adequate markets for its products.

I hope that within the next few days an acceptable solution will be found by the provincial authorities and the refinery.

#### CANADIAN NATIONAL RAILWAYS—REDUCTION OF STAFF AND SERVICE IN NEWFOUNDLAND—REQUEST FOR INVESTIGATION

**Mr. Jack Marshall (Humber-St. George's-St. Barbe):** Mr. Speaker, the grievance which I want to express tonight revolves around a question I asked the Minister of Transport (Mr. Lang) on October 22 in connection with the announced reduction of CNR staff in Newfoundland. Notwithstanding the fact that any changes in plans by CN, as they continually suggest, might be in the interest of the public they serve, the manner in which they make these announcements leaves much to be desired.

In this particular case which prompted my question the reduction in staff of four positions at Port-aux-Basques, five in central Newfoundland, and seven in Stephenville in western Newfoundland, reductions which were rumoured and came to my attention many weeks ago, was unconditionally denied by CN's senior officials. However, the very decisions that were denied, were made and confirmed in a letter to me from the Newfoundland area manager dated October 25. It keeps being confirmed as we reflect over CN action to downgrade rail service in my province. They keep following the same pattern of degrading Canadian National tactics to camouflage their real objectives while demoralizing human beings, the staff that has served them faithfully over the years.

The action, I repeat, follows the same pattern. First they start the rumours, then they deny them, and then an announcement is made of the introduction of changes in operations as part of plans to modernize and improve methods of doing business. Usually the method of modernizing is to lay off staff or remove a service.

#### *Adjournment Debate*

The most ridiculous point in their effort of camouflaging their real intentions is that they think they are believed. They are living in the world of fantasy that they are fulfilling their responsibility to Canadians. I say that they are living in the twilight zone. They try to camouflage completely their real intentions by the same old sorry method of confusion, relating that on the basis of the CN Express distribution system and the business environment in which CN operates that these are the conclusions reached which will be of benefit to the business community.

They go on to further confuse by relating that a study indicates that if CN Express is to maintain its competitive position in the package traffic market and improve productivity and service levels, alterations are essential. Then they try to impose more public relations utterances—that in order to make improvements there will be a number of changes in the traditional way of doing things.

They have been making the same noises for the past seven or eight years, in fact since the Pickersgillian sell-out of the province of Newfoundland when our citizens were used as an altar offering for the rest of Canada to start the persistent process of eliminating rail passenger service in various parts of the country.

● (2210)

I was pleased to note from the minister's answer to my question of Wednesday, October 27, that he would look into the question of statements that had been made by CN officials and then contradicted by action to deteriorate rail rate and express service in Newfoundland further and eventually to turn to rubber traffic which was the case when rail traffic was eliminated in favour of bus service. The minister further indicated he would be interested in having discussions with representatives of the province of Newfoundland and other interested people on the whole question of transportation in Newfoundland both by rail and road. I hope that in his reference to road transportation he was referring to the need for highway strengthening. The minister further stated that he is very much concerned about this issue which is a vital one in the province of Newfoundland. I am concerned particularly about the future transportation policy in western Newfoundland.

I suggested to the chairman of the standing committee that the committee visit southern and western Newfoundland to determine the needs of that area. I only hope that the parliamentary secretary will be able to disclose to me tonight that the minister has not only granted the authority to the standing committee to visit that part of the province but has taken the appropriate action to investigate the thrust by regional representatives of the Canadian National to eliminate rail service in Newfoundland by cloak and dagger tactics, and without any common sense effort to realize that the basis of any economy, particularly in isolated areas of Canada, is a fundamental, adequate transportation system which includes more than ever an expansion of the service rather than a deliberate attempt to phase out CN responsibility in the province of Newfoundland.