

Marine Atlantic Inc.

Under the Terms of Union between Newfoundland and Canada, CN took over the operation of the Newfoundland Railway. A linkage was established through the development of CN Marine which guaranteed that the people of Atlantic Canada would not be penalized because of their location. It guaranteed that the people of Atlantic Canada would have access—because the country thought it was important to have access—to a first-class transportation service. The service was never perfect. There were always complaints; but there was a service and it was guaranteed. It was guaranteed to be a reasonable service in terms of cost and in terms of the quality of the service being provided. What has happened now? The Government of Canada has taken an action which, as I said earlier, with one fell swoop hived this off. It has severed CN Marine. Given the brief historical analysis of how CN Marine came into existence one would tend to ask oneself why the Government has hived it off. If it has played that kind of a nation-building role and has been that essential to the people who live in Atlantic Canada, why the name change and severance of CN Marine from the parent company?

• (1120)

You will note, Mr. Speaker, that Bill C-88 received first reading on December 5, 1985. Mark that date down, Mr. Speaker. You will also note that the Ministerial Task Force on Program Review headed by the Deputy Prime Minister (Mr. Nielsen), a very famous fellow around here, made its report to Cabinet in September 1985, two months before this Bill received first reading.

The Parliamentary Secretary would have us believe the reason for the Bill is to give the old company a new name. Let us see what the Deputy Prime Minister's task force on program review which came out two months before this Bill mysteriously appeared in the House had to say about the East Coast ferry service. Would that not make interesting reading?

Let us take a look at what the Deputy Prime Minister and his committee of slashers and hatchet men had to say about this great and historic East Coast ferry service. They said that there is a problem on the East Coast and that this commitment to national unity, surprise of all surprises, costs money. They said as well that compounding these cost pressures has been the typically very low rate of cost recovery for the subsidized service. They said that the way to reduce the level of subsidy is to reduce the level of service and to raise the rates that individuals and corporations pay to move themselves or freight on the East Coast ferry services.

In other words, the level of activity on the East Coast ferry services is relatively high and, given the level of subsidy, the total bill is substantial. The committee believes that fewer Canadians should use those services and the way to accomplish that is to reduce the frequency and quality of service and to raise the rates. The committee wants to discourage people from the East Coast of Canada from being involved in commerce or travel or from using an ingredient that is

essential to the health of any economy, a good transportation system. If that happens, the subsidy can be lowered.

Sir John A. Macdonald would roll over in his grave to learn that a Government would treat Atlantic Canada like a chip on a Monopoly board. He would roll over in his grave to learn that a Government would tell the people of Atlantic Canada that they are simply a number on the bottom of a cost sheet and that a sense of national citizenship having one meaning in Canada is unimportant. The bottom number has to be changed.

The report was made to the Government of Canada in September and this Bill materialized in December, two months later. A plan of action was then undertaken. The Government of Canada knows that the ferry services that exist between PEI and the mainland and Newfoundland and the mainland are constitutionally guaranteed. Those ferry services were guaranteed in provisions of the Terms of Union signed between Newfoundland and Canada at the time of confederation in 1949 and in provisions of the Terms of Union signed between PEI and Canada when it entered into confederation.

What does the Deputy Prime Minister's task force say about the constitutional obligation of the Government of Canada to those two provinces? It calls them quasi-constitutional questions. Since when on one occasion is a constitutional matter a constitutional obligation cast in stone and on another occasion in another part of Canada a quasi-constitutional obligation? Are Atlantic Canadians quasi-Canadians? Are they entitled to or should they expect a different level of services from the Government? No, there is not one person between British Columbia and the great Province of Newfoundland who would say anything but that all of us are Canadians, that we all share the risk and share the reward, that we all carry the burden of cost and we all share the opportunities of being Canadians.

Can anyone imagine saying to wheat farmers in the West who have had a disastrous year with the lowest prices in decades and are on the verge of bankruptcy that the Government of Canada should not subsidize them? Can you imagine anyone saying that since they are producing wheat for less than cost they should be shut down? You are from western Canada, Mr. Speaker. Can you conceive of that being said? I would bet Hon. Members that the Speaker's heart rate has just gone up. He, being from the great Province of Alberta, would simply find it unbelievable that we would say to the people who till the soil and preserve the bread basket of Canada that they are not worth a buck today so we are not interested. No, I cannot imagine that.

What about the people who are involved in the dairy industry in Ontario and Quebec, an industry receiving an annual subsidy of \$300 million. As Joey Smallwood used to say, that industry is receiving not \$100 million, not \$200 million, but three—count them—\$300 million a year. Could anyone imagine saying to those dairy farmers: "Fellows, you are not making a buck right now. You are part of the Canadian mosaic, you are part of the Canadian family but at the