

*Maintenance of Ports Operations Act, 1986*

reputation as a reliable trader. In the present circumstances, the country cannot accept any further deterioration of our standing in world markets.

Clearly, in the absence of any reasonable hope for settlement, and in the absence of any practical alternatives to the crucial role played by West Coast port operations, the Government is required to act with due dispatch in the interests of the economy. I am referring to the local port area economy, the British Columbia economy and the Canadian economy as a whole.

There are many workers whose economic position is directly related to high levels of activity in the West Coast facilities directly involved in this dispute. They include the longshoremen, the grain handlers, the railroaders, the truckers, and other associated transportation industry workers. The extent to which their income base is undermined by a prolonged work stoppage is of direct importance to the local economy, and particularly to the numerous small businesses and entrepreneurs who rely upon the consumption of goods and services generated by these workers.

The local port operations and the local community are not the only economic units inherently dependent on a smoothly functioning port system.

British Columbia is a major exporter of forest products, mineral resources, and manufactured goods, and also serves as a vital transit point for the marketing of grain, the resources and products of western Canada. British Columbia's major ports are an irreplaceable link in the transportation infrastructure needed to move the vast quantities involved.

Furthermore, our port system is a major gateway for the importation of goods from major trading partners in the Pacific Rim. Our country's future depends upon the retention and expansion of such mutually beneficial links.

The survival in the new trading environment of the late 1980s of our markets for western and central Canadian products and resources, and of our reputation as a dependable and efficient trader, is certainly at stake. We in Canada must maintain a reasonable balance of trade through an efficient, reliable and smooth functioning transportation system. Otherwise, our national economy will suffer, our standard of living and our quality of life will inevitably deteriorate and we all will be the losers.

From past disputes at the West Coast facilities, we recognize the short and long-term consequences of disruptions to port facilities. The scheduling of ships for loading and unloading at our West Coast ports is a complex and costly operation. The logistics involved in arranging crews, routes, departure and arrival times function well only in a predictable environment. Down times for ships and crews are immensely expensive, not to mention the costs associated with lost sales or unfulfilled contracts. It is costly to have those ships docking in Burrard Inlet or English Bay. Our economy cannot tolerate its continuation. Unfortunately, we have been victimized by this type of situation in the last while.

In a similar fashion, the vast and costly rail infrastructure that transports grain, bulk resources and general cargo for export involves a highly sophisticated marshalling and routing system designed to provide fast, efficient and economical transportation. It is quite apparent that unpredictability in port operations creates havoc in this system, with major cost considerations involved. Extra costs, of course, weaken our competitive position and contribute to a loss of markets. I am directly concerned with rail transportation because my new son-in-law works for the CNR. During the first round of walk-outs—as members of the NDP have correctly identified it—he was laid off because of the lack of work. He has ten years seniority in the system. Chuck Tanner and others cannot afford to be locked out by management or put on strike by labour because the economy and these individuals cannot afford it.

From the point of view of the railways, the losses associated with their disrupted operations render them less able to respond to the transportation needs of the economy.

For the year 1985, the Vancouver Port Corporation reports encouraging progress in positioning the port as a major gateway for export cargoes to the expanding markets of the Pacific Rim and for imports bound for western and central Canadian centres. In 1985, for the third consecutive year, the Port of Vancouver set new records for the number of containers handled and for the total tonnage of containerized cargo moved in and out of the port. That is a clear indication that we are managing the port well as a Government and that the people whom we have placed in those positions are doing an excellent job.

● (1800)

Containers handled through port facilities rose by 17.5 per cent. The total tonnage of all cargo shipped was 56.1 million tonnes, a decrease of 5.3 per cent from the 1984 record tonnage. Declines from the previous year were recorded in coal, grain, lumber and potash. Sulphur exports reached a new record level of 6.1 million tonnes and wood pulp shipments increased 7.7 per cent to 888,000 tonnes. The Prince Rupert Corporation reported that 1985 set new records for traffic growth.

Under reasonable circumstances the British Columbia economy is expected to grow this year in the 4 per cent range, one percentage point above last year's rate. Expo 86, strong consumer spending and growth in the forest products sector should play an important role. It is estimated that in 1986, the forest, manufacturing and goods producing industries will grow by 5.3 per cent, 9 per cent and 4.8 per cent respectively. Average weekly wages are expected to increase by an average of 3 per cent in 1986, and the Consumer Price Index to remain in the 3 per cent range. Employment is expected to increase by some 5.5 per cent. Concurrently, the provincial unemployment rate should decline to about 11.7 per cent from 14.2 per cent in 1985. However, this figure will remain significantly higher than the national average. Real growth in 1987 will be largely