

method where you can spend something like \$20 million a year and still have the same effect, keep it so that these ports will be competitive.”

The government ignored it. There was a major report done. The government ignored it completely. In 1989, it was announced during the budget speech that the At and East program would be removed, effective July 15, 1989, I believe, without even consulting the APTC and without even looking at what it had said. The government ignored it completely and removed the whole program without thinking of the consequences, without looking for alternatives.

The interesting thing about this is that it removed the program and it was never brought up in the House until February 1990, after our party had raised the matter in the House asking what had happened to this program. The next day, bang, it was in second reading.

As this matter went through second reading, it became very clear that the government had paid no attention to the reports of the experts, had paid no attention to the needs of the maritimers and had paid no attention to the needs of the Canadian Wheat Board. It simply saw it as a way to save \$40 million; a very narrow minded and short sighted view of a program that has contributed a lot to regional development in the maritimes.

As it went through committee stage, group after group, representatives from the Atlantic Provinces Transportation Commission, livestock groups from Atlantic Canada, people from Dover Flour Mills and others pointed out the frailties and the weaknesses of removing this program and putting nothing else in place. They pointed out that in fact it is going to cause problems with the Saint John elevator and it did. It is closed now. They pointed out that it was going to put the Halifax elevator in jeopardy and it is in jeopardy. They pointed out there were going to be jobs lost and there have been jobs lost. They pointed out that in fact it was going to threaten the livestock industry.

The Canadian Wheat Board came before us and said that the closure of Halifax and Saint John elevator may well mean the loss of wheat sales. We can ill afford in this country a loss of wheat sales. We are having a tough enough time competing with the Americans and the Europeans. The reason they said we would lose them is because nations in warmer climates, such as Cuba, would

prefer to pick up their grain from an ice-free port than sail to Montreal to pick it up.

The Canadian Wheat Board said that, all things being equal, if Cuba had to go to Montreal, it may well lose grain sales. It appears that has been the case.

That is something that we in western Canada simply find unacceptable, given the nature of the grain industry today.

The interesting thing about this debate is that unlike many bills and many programs in which there is a straight philosophical difference, in this one there was an alternative. There could have been put in place a well thought out and well researched alternative.

When I came to the government, being the naive person I suppose I am, I thought there was a realistic possibility of actually maintaining, not the At and East bill as it exists now, but a revised At and East bill. It needed updating. It had not been changed since its implementation in the early 1960s. The government ignored that completely and discounted the arguments.

The one thing that was accomplished out of our committee reports and committee hearings was that the government reluctantly, after getting pressure from all these various groups, and the media started picking up on some of the problems, agreed to do a study on the effects of the loss of the At and East program and on the grain elevators in Atlantic Canada.

There was a report prepared and completed in November 1990. It is a fairly extensive report looking at all the various aspects of grain handling in eastern Canada. It comes to some interesting conclusions, which I am afraid the government again seems to have ignored.

I am quoting from the report of the grain elevators in Atlantic Canada, *Grains 2000 Study*. On page 41 under conclusions, it states:

The principal finding of this study is that an increase in export grain is required for the Halifax and St. John elevators to achieve financial viability. If incremental flows of export grain are not achieved, the Halifax elevator could face closure and the Saint John elevator would be unable to reopen. The loss of an elevator with water receiving capability will be significantly detrimental for the Atlantic livestock industry. As shown in the analysis, the cost of feed grain in the region could rise by \$10 per tonne or more.

What this is saying is that the elevators in Saint John and Halifax are beneficial to the livestock industry because they provide some form of competition for the railways which also bring in feed grains. There is not