

Canada Ports Corporation Act

In order to appreciate the present legislative proposal, it is useful to note the different approach that was taken in previous attempts. That is very important. Previous bills all tried to consolidate fully the different pieces of legislation which I already mentioned. I have extensive notes on the subject. I will not go into them except to mention that contrary to the other bills which attempted the monumental task of bringing the whole legislative apparatus under a single bill, this bill is much less pretentious. The bill leaves aside the grander scheme of reshaping the entire port system and takes a more evolutionary approach. It recognizes that the existing system has strengths that can be built on without the need for a total overhaul. I would not like to leave the impression that the bill does not change much. Thirty of the 40 sections in the National Harbours Board Act are being amended, and 16 of 19 sections of the Government Harbours and Piers Act are being amended.

The bill is not as all encompassing as the previous bills. The reason is simply that different parts of the country have different types of ports. There is some validity in that. We try to accommodate local circumstances, historical precedents, fashions and the like. I do not think the country will be handicapped because of that.

It is clear that the National Harbours Board ports have reached a level of financial and administrative maturity such that they are now being held back by the 1936 legislation which governs them. Having demonstrated their ability—this is a key sentence for those who will comment later—to operate soundly and efficiently, Parliament owes the ports a new framework which will give them the opportunity to respond to the new challenges in a modern environment. In other words, these ports have done well with the support of the National Harbours Board. They are now fully grown and developed. They are adult. The time has come to give them more freedom of operation than in the past.

I now want to say a few words about Bill C-92. In my view, it is an excellent example of what I like to call the balancing act, which is the only act that Parliament has never passed, because it tries to combine a number of forces.

As I said earlier, it does not attempt to reshape the entire system. The three types of ports are maintained. The statutes governing them are amended to remove the shortcomings. For example, rather than having one central piece of legislation, a common statement of objectives is included in each of the separate statutes. A balance is thereby achieved between a single, unwieldy act and three unrelated ones. They are tied by a single objective, a single statement of principle.

Another example of balancing is between the national interests and the local autonomy. The first objective in the common statement of objectives is to ensure that the port system is an effective instrument of support for international trade objectives and also for national, regional and local social and economic objectives.

The fourth objective is more specific. It calls on the port system to provide ports with a high degree of autonomy consistent with the responsibility to ensure the integrity and

efficiency of the system as a whole. We see the obvious preoccupation of the national interest and the local interest which is balanced by a degree of centralization and a higher degree of decentralization. Therefore, the bill is a masterpiece of balance!

Mr. Nowlan: I wish you were selling Mississippi oil.

Mr. Pepin: Give me a barrel and I will try.

• (2120)

Let us look at some of the most important amendments. Taking first the amendments to the National Harbours Board Act, the principal amendment creates a part-time board of directors, up to 17 of them, representative of broad regional interests in important matters. The new board will have the power to recommend the establishment of local port corporations with a high degree of delegated authority to manage and operate. Ports that do not acquire local port corporation status will be operated as divisions of the new parent corporation. That, by the way, will be named the Canada ports corporation.

To repeat, within what is now called now the National Harbours Board system there will be two types of ports. There will be some fully grown, with full local autonomy, the "mini" corporations under the "maxi" or parent corporation. There will be others which will remain divisions of the National Harbours Board, which is to become the Canada ports corporation.

The corporation will have new powers to set contractual limits by bylaws. Rates for commercial services will be set by the corporation itself for its own divisions. The local port corporations will set rates themselves for their own requirements. Harbour dues, however, will continue to be set by bylaws and will therefore be subject to governor in council approval.

The Canada ports corporation, and the local port corporations, will remain category "C" Crown corporations under the Financial Administration Act. Members will realize what that means. It has some advantages, obviously; for example, not to pay taxes, not to pay dividends, and the possibility of getting Canadian government contributions to investment. There are some advantages also to becoming a category "D" corporation. The law as it is now will make that possible without having to pass a new law to move corporations, the "maxi" and the "mini", from category "C" to "D". Also to be stated is that it will be possible to transfer from one category of port to another category without having to introduce new legislation to do so.

I should say a few words, Mr. Speaker, about local port corporations. As I indicated, this is the major factor and the major motivation for the new policy. It is the decentralization of authority and decision making to the local level of port corporations, and a move away from the centralized administration of National Harbours Board ports.

It is rather important, I think, that I should put on record the powers of the local port corporations. Here is a list. First, there is the authority and responsibility for the day to day