

Adjournment Debate

that this report will probably recommend, subject to certain provincial mechanisms, the setting up of some type of a review board to which the recipients of grants, including municipalities, will be able to submit their case. This board will then make recommendations to the minister.

According to information available to me, the Pollack Report will be substantial. I have to hurry, Mr. Speaker, since it is getting late. This report will deal with this issue and other related matters in detail and will provide all the facts, all the motives and every possible alternative. As I have already mentioned, this report will be made available to the members of the Standing Committee, where it can be the subject of an in-depth examination. In closing, Mr. Speaker, I want to say that in my opinion, this is an excellent initiative on the part of the hon. member for Ottawa-Vanier (Mr. Gauthier), and I am convinced that the speedy action taken by our Department will meet with his approval.

[*English*]

INDUSTRY—QUALITY OF RAILS PRODUCED BY SYDNEY STEEL CORPORATION. (B) IMPORTATION OF RAILS

Hon. Elmer M. MacKay (Central Nova): Mr. Speaker, sometimes it is very difficult to get any degree of accurate information around this place concerning matters involving transport. We have seen this with respect to Mirabel and with respect to a number of issues, but the one I wish to discuss tonight is the situation involving orders for the Sydney Steel Corporation in Sydney, Nova Scotia.

On May 11, I attempted to raise some questions in the House. The Minister of Transport (Mr. Pepin) in his usual way, seemed to, as Allan Fotheringham would say, "fuzzify the modification". First, the minister said quite clearly that there was a problem with Sydney Steel as far as the quality of the rails was concerned. When outside of the House he said that, of course it was a mistake. There was nothing wrong with the rails. What has happened recently is that the people of Cape Breton and Nova Scotia are getting terribly concerned at what precisely is going on for the future of this vital regional industry. It is quite clear there is a certain amount of responsibility upon the government, whether it is on the basis of regional industrial expansion or whether it is on the basis of simply good transportation policy, to make certain that an institution, which is what Sydney Steel is, that over the years has received so much help and assistance from various political parties and levels of government is maintained in a reasonable way so that the 2,000 people who reside in that area can continue to earn a decent living.

The impression has been given, whether rightly or wrongly, by certain members and by the minister that indeed the matter is under control and that there is an order imminent for SYSCO from the CNR. I learned, much to my shock today, in the Standing Committee on Transport when I had a chance to speak and question directly the chief executive officer of the CNR, that, despite the impression that has been left in certain quarters, the Minister of Transport has not, and I repeat, has not in any way given a direct order or a directive to tell CNR

to buy any amount of rails whatsoever from Sydney Steel. I think it is time this was clearly put on the record, and that is why I am doing this tonight.

In answer to his own colleague on June 7, 1982, the minister indicated, in his own inimitable style, that a contract is a contract. It reminds me of some of the statements he made about Mirabel. He cannot make a decision there either. The problem is that he wants to be all things to all people. He is sort of a parliamentary push me-pull me. He wants everyone to love him and to think he is great, but he never makes a decision. As far as Sydney, Nova Scotia, is concerned, there are many people—municipal leaders and ordinary working people—who are tired of misinformation. On June 7 he said that a contract is a contract is a contract, but that having made a commitment he was willing to press CN to honour it.

● (2235)

I found out in the Standing Committee on Transport today that he has not done a damn thing. He has not said a word to top management of CN. CN used to advertise itself as a business as well as a responsibility. I have no quarrel with that at all. If CN wants to run a hard-nosed business operation, that is fine. But it is a Crown corporation, it is ostensibly owned by the people of Canada, and it is controlled by the government. The Minister of Transport has the authority, as Dr. LeClair conceded today, to order CN to do something, and CN will do it.

The point is that the minister has not yet done a damn thing as I said, and an impression has been created in the House and in the province of Nova Scotia that something is being done. I fail to see why in the past it was necessary to import rail from outside of Canada when Sydney Steel Corporation had the capacity to do it. I fail to see why at the present time it is urgent that about 50,000 tonnes of rail be ordered from Algoma. I cannot understand that either.

I cannot understand why there is not some co-ordination between the Department of Transport and the Department of Industry, Trade and Commerce or the Department of Regional Economic Expansion, or whatever is the amalgam of these two hybrids now that we are rid of DREE. I cannot understand why the government will not take some step or why there is no co-ordination. I remember when a former minister of transport, now the distinguished Speaker in the other place, used to get headlines from time to time by saying, "Transportation is a component of regional development." Now we have a situation where a Crown corporation, which is receiving about \$100 million in aid from the federal government, is being hung out to dry because the government would not spend \$1.4 million and use its influence to ensure that some rails are purchased from that corporation.

Some \$1.3 billion has been guaranteed to Canadair by the government to take the Canadian Imperial Bank of Commerce off the hook and so Russ Harrison can sleep nights; some \$400 million is involved in a subsidy to Bombardier so that it can