

Government Orders

Congestion is now at the point where it is not uncommon for traffic to back up on and sometimes across the entire bridge to and from Canada. This has resulted in substantial traffic tie-ups on the Queen Elizabeth highway and on local streets in Fort Erie as well as similar problems on the New York State thruway, the Peace bridge plazas and on local streets in Buffalo. The congestion problems presently being experienced on the bridge will only increase in the future.

To improve traffic flow, the authority plans to implement a 10-year \$89 million capital improvement project called the gateway project. This project will have a positive economic impact on both sides of the border.

In Fort Erie alone over \$58 million will be spent on improvements that include: \$11.6 million for a new commercial facility for Canada bound commercial traffic which will house Revenue Canada's commercial customs operations, commercial brokers and freight package firms; another \$25 million on a commercial vehicle processing centre for U.S. bound commercial vehicles; and another \$4.3 million for a Canadian gateway complete with new customs booths that will serve as a landmark for residents and tourists entering Canada. It truly will be a gateway to Canada, a gateway to the province of Ontario and a gateway to my riding of Erie.

A further \$17.6 million will be spent on bridge painting and structural improvements. The bridge is presently painted with a lead based paint which must be removed for environmental reasons. It will be expensive, but is very necessary.

On the U.S. side there will be upgrading of the traffic plaza and the Buffalo terminus to the bridge which will include a reconfigured plaza providing improved access to major highways and into downtown Buffalo.

It can be appreciated that these proposals will translate into short term construction jobs and long term administrative jobs with a tremendous economic spin off impact throughout the region.

The bill also allows for a borrowing increase for the current projects that I have just mentioned. The amendments to the act will allow the authority to increase its borrowing authority from \$50 million to \$100 million. The authority's reputable financial adviser has reviewed the financial plans of the authority and has indicated that it has the capacity to borrow this sum of money.

• (1305)

I would like to emphasize that there are no costs to the Canadian government associated with the amendments. Section 6 of the current act specifically protects the government from

liability for the authority's debt in the event of a default. All borrowing costs will be borne by the users of this facility.

I was concerned with the user pay implications for my constituents as we now enjoy very reasonable bridge tolls on the Peace bridge. Tolls will have to be increased to fund the necessary bridge improvements. I am assured however that they will remain competitive with tolls charged at other international bridge crossings in the Niagara region and southern Ontario.

The Peace bridge authority is very sensitive to this issue. Presently the passenger tolls are the cheapest of all bridge crossings in the Niagara region. Owners of commercial vehicles will continue to pay slightly higher tolls than those charged at the adjacent crossings. They will benefit from reduced costs resulting from the shorter line ups at the border. The authority is fully cognizant that excessively high tolls would divert traffic to other crossings and will act accordingly.

I was also concerned about the debt servicing of these loans and the ability of the authority to meet its financial obligations. I have been assured that the authority's debt repayment plan is sound. The need for this government to satisfy its concerns on this issue and on the environmental impact are the reasons for an almost one year indepth study and the necessary delay of this bill getting to the floor of the House. This government has acted cautiously and prudently.

I was very concerned about the environmental impact of the proposed capital project as well, but my concerns have been satisfied. Pursuant to section 5 of the Canadian Environmental Assessment Act, the bridge is not required to be subjected to a specific federal environmental assessment.

Given the potential impact of a commercial vehicle processing centre project on adjacent neighbourhoods in the town of Fort Erie and the fact that all transborder functions are a clear federal responsibility, Transport Canada completed an environmental screening of the commercial vehicle project in November 1994. The environmental screening determined that the commercial vehicle project may proceed as its environmental impact is either insignificant or mitigable with known technology. The authority has agreed to comply with the recommended mitigation measures. The commercial vehicle processing centre also meets all local, regional and provincial land use and environmental requirements which I think is very important.

Consequently, the decision to increase the borrowing power and transfer administrative powers will have no adverse environmental impact. Other initiatives under the gateway project will be assessed if need be in accordance with the requirements of the Canadian Environmental Assessment Act.