

For instance, Mr. Speaker, ports on Canada's East coast are a major source of container traffic. The transport sector in the area, however, has a deadly competitor in a network of deregulated carriers that are conveniently located. The container shipping market in Eastern Canada will not survive unless it can truly compete with the American market. And it will survive only if it enjoys the same advantages and is subject to the same regulations on its own terrain. Setting common rates will no longer be allowed, although present protection afforded the Prairie grain shipping network will continue.

There is more good news for shippers. Shippers who have access to only one railway will be entitled to a better deal, Mr. Speaker. Interswitching limits and terminal running rights will be extended. Options are also provided for obtaining competitive line rates for the transport of goods carried by two companies. This is a key element and a crucial one in our railway freight network. All shippers, captive or not, will have access to better mechanisms to settle disputes with the railway companies. The new legislation provides for recourse to the federal regulatory agency which may then proceed by mediation or arbitration.

To deal with the issue of abandonment of branch lines that are losing money, the Government proposes to take a comprehensive approach. Instead of continuing the sterile debate on this matter, we intend to propose some significant new options with a view to improving transport services in areas served by branch lines and, when possible, allow them to be retained.

Under the present system, there is no provision for allowing a third party to acquire railway property and infrastructures and setting up a profitable railway company. As a result, there is no incentive for the other parties to maintain service, at a time when railway transportation over short distances is becoming increasingly attractive, especially in the United States where this new approach has in some cases proved to be very satisfactory.

Mr. Speaker, I would now like to address that part of the proposed legislation which deals with extra-provincial trucking. Over the years, this sector has become an important link between shippers and their markets. Federal and provincial transport ministers are working together to develop a plan for regulatory reform of the trucking industry, the purpose being mainly to standardize provincial regulations across Canada.

Legislative and regulatory reform will provide an incentive for competition, leading to a set of new options for rates and services that will be as close as possible to the real needs of the shippers.

By freeing the trucking industry from its regulatory harness and by allowing healthy competition, this reform will have a direct impact on the price of consumer goods, since overall transport costs will tend to drop instead of increase. There are immediate advantages for the Canadian consumer, for the producer and for jobs.

National Transportation Act, 1986

The new situation resulting from the proposed reform will put small- and medium-sized businesses in a better competitive position, since this sector is necessarily an intensive user of trucking services.

The Government is therefore proposing to amend the Motor Vehicle Transport Act to bring it into line with the provisions of the agreement concluded between federal and provincial Transport Ministers in February 1985.

Those changes are included in Bill C-18 which will be more thoroughly discussed in this House. However, it should be acknowledged that Bill C-18 will complete the reform undertaken concerning other means of transportation. The transportation industry is constantly under development, Mr. Speaker. The Government's policy cannot be static. It should be periodically updated and readjusted.

The national transportation policy and the reforms advocated in the new legislation will have to be adjusted. Our bill has anticipated those realities.

Recognizing the need for review and periodic analyses, the legislation introduced in Parliament by the Minister of Transport provides for a comprehensive analysis of the effects of the legislation four years after its implementation.

In concluding, Mr. Speaker, let me say that I am proud of the legislation we have introduced. It is one of the major pieces of legislation which this Parliament will be discussing. Seldom do we have to consider reforms whose potential impact and implications that are so large and beneficial to all Canadians.

This Bill, Mr. Speaker, is part of an overall economic policy that is innovative in many respects. I am convinced, and I see that my time is coming at an end, Mr. Speaker, that all Hon. Members will realize the importance of the Bill and that we can discuss it with the utmost equanimity to the greatest benefit of the Canadian people who want to go on unhindered as we all want.

Mr. Deputy Speaker: Questions, comments. The Hon. Member for Westmorland—Kent (Mr. Robichaud).

Mr. Robichaud: Mr. Speaker, the Hon. Member who just spoke on Bill C-18 represents a remote area, Bonaventure—Îles-de-la-Madeleine, a riding which is in fact part of the Gaspé area, right in the middle of the Gulf.

Mr. Girard: It is a very beautiful area.

Mr. Robichaud: Yes, I know that area, it is one of the beautiful parts of Canada, just as Westmorland—Kent is. They are somewhat similar.

Mr. Girard: It is right next to us, next to Restigouche.

Mr. Robichaud: I would like to have the opinion of that Member, and I will simply read to him a message from the Maritime Premiers, and I quote: