

Supply

Mr. Russell MacLellan (Cape Breton-The Sydneys): Mr. Speaker, I am very pleased to be able to debate this motion before the House today. This matter needs attention and has been ignored for far too long. In dealing with the motion I would like to deal with the three areas mentioned. With respect to the first and the problems with the fisheries, that question has been dealt with very ably this morning by the Hon. Member for Gander-Twillingate (Mr. Baker), and will be discussed this afternoon by my colleague, the Hon. Member for Grand Falls-White Bay-Labrador (Mr. Rompkey).

With respect to the question of transportation, there are quite a few problems which I think have to be discussed in that area and it relates directly to the future of Atlantic Canada. I have spoken to the Minister of Transport (Mr. Mazankowski) about these questions and I must say in his defence that he heard me out and gave me the time to discuss them. I can only hope that he and his Government will be sympathetic, will study the question and realize the seriousness of these transportation issues in relation to Atlantic Canada. I would like to mention a few this afternoon.

● (1430)

One issue relates to the problem of Terra Transport. That company was forced to increase its fees, which put it in a bad position in relation to its competitors. When the CTC requested that they make that fee increase, they put the railroad in Newfoundland in jeopardy. That can have a very serious effect on the Province of Newfoundland.

The question of whether this increase can be enforced or rolled over and negated is now before the courts. In the meantime, the Minister of Transport has agreed to roll back the fees to their level before the increase took place. If these increased fees are allowed to stand, there will be a tremendous negative effect on CN Marine. CN Marine is the Crown corporation which provides ferry service between the Atlantic provinces and Maine. It is an integral part of the transportation network.

CN Marine is having tremendous difficulties at the present time in relation to the number of people it is laying off in Atlantic Canada. The employees who are being laid off are not junior employees who just got a job, got married and bought a house. These are men with 15 to 20 years seniority who have bought houses and have children who are going to university. These men are being laid off at the time in their lives when their expenses are the highest. The people in Atlantic Canada feel that if there are to be decreases in the number of employees at CN Marine, that should take place through a moratorium on hiring rather than through lay-offs. These men have worked for the Government of Canada through a Crown corporation. They have given the best part of their lives to their communities. How are they going to find alternate employment now? It is very important that the Government of Canada realizes its obligations to these men and women.

Last October Canadian National divided CN Express from CN Rail, making them two separate Crown corporations with two separate bargaining units. Previously in Atlantic Canada

men who were laid off in either arm of CN could bump someone in another area. This can no longer happen. The men working for CN Rail were frozen there and those working for CN Route, as it became known, were frozen there. They could not move from one to the other. Therefore, if they are laid off, that is the end of it. They cannot take on another position. That is very serious. The reason for this is that CN wanted to be able to do away with permanent employees and retain the services of temporary employees. They would then not have to give the benefits and would have greater control over whether or not they needed the services of people. That is a very serious situation and a serious point of view for a Crown corporation to take.

The situation at CN Marine is in jeopardy partly because of the subsidy which the federal Government must pay to CN Marine. On the other hand, the federal Government is paying a multi-million dollar subsidy to Atlantic Container Express to ship directly from Montreal to St. John's, Newfoundland. This reduces the business of CN Marine between North Sydney, Nova Scotia and Port-aux-Basques, Newfoundland.

The federal Government is saying that it is going to give a subsidy to CN Marine and a subsidy to Atlantic Container Express. The subsidy to Atlantic Container Express allows them to provide the competition to CN Marine, thereby reducing the income of CN Marine, again increasing its subsidy. Therefore, the subsidy to Atlantic Container Express is in turn creating a larger subsidy to CN Marine. We must get our act together. Mr. Speaker. The Government must become aware of the transportation concerns in Atlantic Canada.

This morning in the House I saw a Minister sink to the lowest level to which I have ever seen a Minister of the government sink. This morning the Minister of Regional Industrial Expansion (Mr. Stevens) gave a speech in the House which was an insult to the problems and needs of Atlantic Canada. He took the credit for the improved position of National Sea Products. He did nothing for National Sea Products. He did not even mention the workers or management of National Sea Products and their contribution to the improved position of that corporation. Then he said he had good news about the Cape Breton Development Corporation which has as its jurisdiction the island of Cape Breton.

Industrial Cape Breton at the present time has an unemployment rate acknowledged by Employment Canada of 29.5 per cent. The level admitted privately by Employment Canada is over 40 per cent. The people of industrial Cape Breton have been waiting for months for good news from the Minister of Regional Industrial Expansion, the man who holds the purse strings for regional development and investment which will help the economic base of industrial Cape Breton.

The Minister's news was that this year Devco is going to show a profit and that he was going to introduce 10 per cent profit sharing with the workers of the Cape Breton Development Corporation. Wasn't it wonderful what his Government had done? He did not mention that the management policy which created this profit was brought forward by the chair-