

significant and important people who made these representations. May I say that my folder would not hold the representations prepared on short notice which we got in the city of Saint John alone, that my briefcase would not close when I put in it the representations, which were placed in haste but with sincere earnestness, by the time we had visited Halifax, Moncton and Saint John. This is the kind of hard work those people were prepared to put into their objections to try to enlighten us and the Government of Canada.

It is obvious that the cutbacks in rail service will affect tens of thousands of Canadians as well as thousands of tourists. The ramifications will be felt by virtually every Canadian, whether they use trains for transportation or depend upon them for bringing customers to them for business. Earlier the minister spoke about isolated communities. Canada will never know what it is like to have isolated communities until rail passenger service is withdrawn to the extent proposed at present. Why is the minister so adamant on the subject of rail passenger service when his director of air transport went to Quebec City and said that the proposed domestic aviation policy was not cast in iron and that there was room to accommodate changes?

● (2215)

This comes from Mr. Hans Lovink, the director of domestic policy for air transportation. An article in *The Globe and Mail* of November 3, 1981 reports an interview with him as follows:

He said, however, that Transport Minister Jean-Luc Pepin is prepared to listen to arguments for changes and the purpose of the proposal was to generate discussion.

Why should there not be discussion on the cancellation of VIA Rail? Why should there be nothing but an adamant, obstinate pursuit of this abandonment? At a time when other countries see fit to expand and renew their rail passenger services, our government reduces it in this country. In spite of the fact that other countries have had to restore the service at great cost, this government proposes to remove from passenger transportation the one service which takes only 5 per cent of its costs in energy, when automobile and air transportation take approximately 30 per cent of their cost of operation in fuel energy consumption.

I would remind the minister that it was only about two years ago, after a lengthy and productive public hearing, that the CTC recommended that the Atlantic Limited be put in place.

The minister of transport for Nova Scotia has said that for the federal government to overturn by order in council the hard work of the CTC after less than two years is a disappointment to those who participated in the public hearing process and who felt that consultation had produced a beneficial solution. He went on to say that the plan to kill the Atlantic Limited is premature and completely incomprehensible.

May I have an answer to my question, Mr. Speaker.

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport): Mr. Speaker, last night I answered a very similar question on the reasons for discontinuing the Atlantic

Limited. The main point I tried to make was that extremely high costs had forced the government to eliminate one of the two transcontinental services between Halifax and Montreal. On both the Atlantic Limited and the Ocean, the taxpayer pays an average of 70 cents for every 30 cents of ticket revenue. The services cost the taxpayer a total of \$45 million in 1980 for the Atlantic region.

The government regrets the inconvenience caused to residents of southwestern New Brunswick who must backtrack to Moncton to connect with the remaining transcontinental to Montreal. However, even the member for York-Sunbury (Mr. Howie) acknowledged last night that the rail liner service being extended from Saint John to Fredericton was "a progressive move."

The other service being discontinued in New Brunswick is the dayliner between Moncton and Edmunston. This line is being terminated because of very poor performance. The revenue-cost ratio is 13.6 per cent. In other terms, a \$22 ticket is subsidized to the extent of \$140 to make up the true cost of transporting that one passenger, which is \$162. The occupancy rate on the train is about 28 per cent, but it should be noted that almost one in four passengers on this train travels on passes and therefore generates no revenue. The service lost over \$2 million in 1980, and carried a total of 32,500 passengers, or less than 100 per day in each direction.

Although some communities will be somewhat isolated when this service is terminated, there is every hope that alternate transportation services, such as buses, will be developed and improved in the near future.

REGIONAL DEVELOPMENT—ELIMINATION OF PRINCE EDWARD ISLAND PUBLIC SERVICE POSITIONS (B) ADMINISTRATION OF FEDERALLY FUNDED PROGRAMS

Mr. Tom McMillan (Hillsborough): Mr. Speaker, last Friday, in the House of Commons, I posed two important questions about the recent elimination of 161 provincial public service positions on Prince Edward Island following the signing of the third and final phase of the P.E.I. Comprehensive Development Plan.

My first question, directed to the President of the Treasury Board, (Mr. Johnston) noted that the federal government clearly intends to take over some programs from the island previously cost-shared by the two levels of government but administered by the province of Prince Edward Island. I asked the President of Treasury Board whether he knew that this new approach by the federal government is, in large part, the reason why the province has been forced to lay off some 138 provincial public employees.

My second question was directed to the Acting Minister of Regional Economic Expansion. I wanted to know whether the federal government had yet identified which programs it intends to take over from the province of Prince Edward Island now that the third phase of the Comprehensive Development Plan is in place. If the government had identified those programs, I wanted to know what they were.