

Government Orders

important measure at the time and it had a desirable effect. However, it does not meet the realities of the economy or the transportation system as we approach the decade of the 1990s and the 21st century. If we are simply going to continue these subsidies without taking steps to remedy the economic difficulties that they are designed to offset, then we are not going to make any progress either in terms of the Atlantic economy, the port of Halifax, the agricultural industry, or any other aspect of our national or regional life.

In very specific terms, the at and east subsidy on an annual basis poured \$40 million into the coffers of the railways of Canada. The expenditure of funds was directed at the railways of Canada, even though the intention was to assist east coast ports at the time the subsidization was established. Because of the operation of the subsidy over a long period of time, there was substantial benefits to the agricultural industry particularly in the area of feed grains and related matters.

• (1600)

There was also a substantial benefit to the flour milling industry. In fact, a flour mill, Dover Flour Mill, was established on the east coast and is still there. We can see how subsidization not only accomplishes the goal that perhaps was intended in the original inception of the subsidy, but it creates other situations which have to be addressed. In particular the at and east was the basis for assistance to the agricultural industry, particularly in Nova Scotia, because it allowed feed to be delivered at a lower cost to those involved in the raising of livestock. It benefited the port of Halifax and supported the grain elevator there as well as the grain elevator in the port of Saint John.

As it is often said, that was then and this is now. We find now that the public funds that come from the taxpayers of Canada are being directed to the wrong source. The value of the at and east subsidization in the 1990s and beyond is the assistance that it provides for the agricultural industry, for the livestock sector of the agricultural industry as well as the port of Halifax and other ports, and the flour mills that have been established because of the existence of the source of supply.

If members opposite were being realistic and honest about this situation they would allow Bill C-26 to pass, end the at and east subsidy, and then lobby, argue and

present a case for direct assistance to the farmers who were affected and have been receiving an indirect benefit, assistance to the port of Halifax, to the operators of the grain elevator in the port of Halifax and in the port of Saint John, and to other segments of the industry that might be adversely affected by the withdrawal of the at and east subsidization. I do not think any member of this House of Commons would stand up and demand the continuation of subsidization to the railways of Canada simply because the railways carry flour and grains eastward from the place of production.

Let me focus on that point because we just had a member from Ontario get up in the House of Commons and argue in support of the at and east and against the passage of Bill C-26. If that member wanted to help farmers in Nova Scotia and in the Atlantic area, he would be arguing in favour of the withdrawal of the countervail on corn. Then farmers on the east coast could get their feed cheaper because they would not have to honour the existing countervail which is in place to protect Ontario producers.

The member could also argue in favour of special permission to import into Canada other feed grains, oats and wheat, for use in the agricultural industry. There are all kinds of solutions beyond the at and east, but members never mention those solutions. They will not deal with the problem, and that is very much the problem with opposition members when a proposition is presented to the House of Commons. They simply argue against the proposition. They try to defeat it. They do not try to resolve the problem.

I hope the people of Canada, particularly the people in Nova Scotia and Halifax, will realize that the withdrawal of the at and east subsidy is the first step to trying to address the problems that are now allowed to fester because of the existence of at and east. In other words, redirect government funding to the proper source. As I said and I repeat, that source is not the railways of Canada. That source is the port facilities, the agricultural industry, the milling industry and particularly the milling of flour which is indirectly supported at the present time by the at and east.

There is no question that if the problems in the agricultural industry and in the port facility are not addressed there would be a loss of employment. But if