

Adjournment Debate

If a government were conscientious in the selection of skills in its appointments to the Senate, it would be a much stronger Senate. If it is to be the home of bagmen and people in need who have supported a particular Party, then of course it will not function very well. I can think of a multitude of Senators who have outstanding ability and who have done outstanding work. Perhaps one of the best examples is the work which the Senate committee on Agriculture did some 15 years ago. In its study of that national problem, it produced a work which was very complimentary to the Senate.

The Acting Speaker (Mr. Guilbault): The Chair regrets to interrupt the hon. gentleman, but the time provided for the consideration of Private Members' business has now expired.

● (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

CROWN CORPORATIONS—NORTHERN TRANSPORTATION COMPANY LIMITED—DATE OF DECISION TO SELL. (B) DISPOSAL OF ATHABASCA ASSETS

Mr. Jack Shields (Athabasca): Mr. Speaker, on April 9 I posed a question to the Minister of Transport (Mr. Axworthy) regarding Northern Transportation Company Limited. I requested information concerning the date the decision was made to privatize NTCL. It becomes clear, when one reviews the activities of NTCL and its abandonment of the Athabasca run from Fort McMurray to Uranium City, Fort Chipewyan and places in between, that management knew full well, probably two years ago, that they were going to privatize this Crown corporation. The line from Fort McMurray north on the Athabasca River was a profitable line. The volume of shipping was starting to drop because of the closedown of the mine in Uranium City and the subsequent drop in tonnage from that mine.

If one reviews the history of Fort McMurray when the land was purchased to accommodate the yards and dockage facilities for NTCL, one can see that a great deal of capital gain has been made in transportation with NTCL in that area. NTCL did not announce they were closing down the line, Mr. Speaker, they simply failed to apply for their license to be renewed. They did not hold public hearings to allow the people in the communities to participate. The transportation authority went up there, announced they were taking applications for the rights to handle the run, and NTCL failed to submit an application. In so doing, it circumvented any public inquiries or public input as to whether they should or should not close down.

It became clear when we examined some of the issues in committee that NTCL did not lose money on the run north from Fort McMurray to Fort Chipewyan and Uranium City. Indeed, they charged back some of the capital expenditures made on the Athabasca run and then transferred tugs and barges, charged to the Fort McMurray run, over to the eastern Arctic. This all looks very suspicious, Mr. Speaker, as if the directors were attempting to run the operation down to a point where it could be easily purchased when it was privatized. When you look at the annual report of the corporation you see that it shows assets at book value, somewhere around \$40 million, when in fact NTCL records indicate the value of this Crown corporation exceeds probably \$200 million. One begins to have suspicions when a group of people made up of directors and managers of the existing Crown corporation join with two other groups to form a consortium so they can make an offer for this company.

● (1805)

I asked the Minister if he would make the commitment in this House that the right of first refusal for the purchase of the land located in downtown Fort McMurray would go to the City of Fort McMurray. Mr. Speaker, that land was bought 30 years ago when land values were absolutely nil in the community. It is now a prime piece of real estate in the community. The City of Fort McMurray wants very badly to become owner of this property in order to develop it for the betterment of the community of Fort McMurray. I have yet to receive a reply to this request.

If I could refresh your memory, Mr. Speaker, the Minister said:

I will take the Hon. Member's representation and examine it. I would point out that we took a position on the Fort McMurray alternative almost a year ago. There is a private development taking place in that area under agreements with other federal Departments. In terms of a specific request, I will refer to the proper authorities and get an answer for the Hon. Member.

I would assume that the private developments which the Minister is referring to are the developments which are taking place in the oil sands. Clearly, if developments are going to take place in the oil sands and the mining operations, it is not going to require the type of property which exists in a high density and high commercial area in the City of Fort McMurray.

[Translation]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am pleased to have this opportunity to answer the question raised by the Hon. Member with respect to the sale of Northern Transportation Company Limited, although I should add that the Minister has spoken to this subject several times within the last few weeks.

The Hon. Member suggested there was a connection between the Government's decision to privatize Northern Transportation Company Limited and the allocation of costs on the Athabasca run. I can give the House the assurance that there is no connection between the two.