

National Transportation Act, 1986

major situations that have been given so much media attention.

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The Government also has important safety responsibilities in other modes of transport. The Canada Shipping Act amendments which will improve marine safety will be brought back very shortly before the House. A uniform national safety code for trucking was approved by the federal and provincial Governments in October. A new railway safety Bill is being developed. Other safety initiatives in the transportation of dangerous goods and in highway programs are being introduced under current safety legislation. Canadians have better service at better prices with the same or greater levels of safety, along with the passing of the National Transportation Act. The Government has not, nor will it ever, compromise safety in any manner or through any legislation.

Another area that has received a fair amount of attention involves regional economic development. I am pleased that the Government understands that an efficient transportation system is needed for enduring regional economic development. The National Transportation Act policy states for the first time—and I emphasize for the first time in legislation—that transportation is a key to regional development. First and foremost the new legislation is directed toward reducing burdensome regulation. This will stimulate competition and create a more dynamic and innovative transportation system. The result will be the best service at the best possible price. That will benefit all regions. Jobs will be created and maintained in all industries in which competitive transportation services are critical to meeting competition, especially foreign competition.

However, that does not mean that the federal Government is insensitive to the special needs for certain transportation services in Canada's regions. The federal Government remains strongly committed to the principles of economic development agreed to by the First Ministers in February of 1985. Those principles reflect arguments made by the provincial Premiers, particularly those from Atlantic Canada, principles which guide all the Government's policies.

The Atlantic Canadian Premiers made a very strong point, not only to the Minister but also to the Standing Committee on Transport, that we must recognize in this legislation that transportation is a key to regional development. This is the very first time that legislation which recognizes that transportation is a key to regional development has been introduced.

Federal transportation programs will continue to benefit Canada's regions. The Maritime Freight Rates Act and the Atlantic Region Freight Assistance Act benefit Atlantic Canada with more than \$75 million a year being paid by the federal Government to subsidize transportation costs relevant to Atlantic Canada. The western grain transportation legislation provides transportation assistance exceeding \$600 million a year. Furthermore, the federal-provincial co-operation that now exists through transportation ERDAs continues, and will

continue, to develop the transportation system in various parts of the country, particularly Atlantic Canada. None of these programs will be affected by the new National Transportation Act, contrary to some of the impressions given by other Members of the House who do not support the progressive legislation put forward in Bill C-18.

I remind all Members that what is needed today to achieve real progress in regional economic development is comprehensive planning and local initiative. Laying rail into remote areas is no longer sufficient to generate permanent and viable jobs. People and their skills, natural advantages and services must all be taken into account. Fortunately, the Government has understood these fundamental facts of life and is acting accordingly.

Co-operation in setting priorities and planning in a comprehensive way is being pursued through the ERDA mechanism and regular meetings of the First Ministers, such as the one held in Vancouver last November. Local input and initiative are being pursued through new approaches, typified by the Atlantic Canada Opportunities Agency which the Prime Minister (Mr. Mulroney) announced in the last Speech from the Throne and which is currently being put in place to provide some economic opportunities for Atlantic Canada.

As well, the Minister of Transport and the Government have listened and responded to the special transportation needs of northern Canada. In the northern areas of five provinces and the whole of the two territories the new legislation introduces some additional competition but maintains strong safeguards to protect absolutely essential air services and community re-supply. In line with the Government emphasis on greater fiscal accountability, transportation assistance directed to regions will be open and above board, not hidden beneath a veil of regulatory decisions. This is the approach of the new National Transportation Act.

Sensitivity to local concerns is reflected in the rail provisions of the NTA. Important benefits are provided to captive shippers. This is particularly important for shippers in Atlantic Canada and in the West, particularly those involved in the resource industry. For the first time the Minister of Transport will be authorized to provide financial support for alternative transportation services to replace rail branch lines that are no longer viable. The new NTA will allow the Government to spend smarter on branch lines. One of the statistics that Canadian National keeps emphasizing to members of Parliament is that 33 per cent of its rail trackage in this country generates only 1 per cent of the revenue that that firm takes in. The changes being provided for in the NTA will enable the Minister for the first time to provide some direct financial assistance to enable the railways to look at the best way of providing a service, particularly to those we call captive shippers.

I believe that the Government has shown flexibility and sensitivity in proceeding with this reform of economic regulation. The interests of Canadians of every region will be better served by this balanced set of regulatory reforms.