

*Motor Vehicle Transport Act, 1986*

same time in the United States, and largely because, as I said, the tax system was changed to accommodate deregulation of the trucking industry, there is a 10 per cent profit spread with trucking firms. That base alone, that is, a 10 per cent spread of profit in the United States, as opposed to a 3 per cent profit spread in the Canadian industry, automatically indicates that the U.S. has greater financial resources to move into Canada and put on the kind of competition against Canadian firms about which I have been speaking.

What about the road system in Canada? We are going to get more trucking firms competing, more trucks on the road. They will be competing against CN and CP. Competition is good as long as it does not destroy the goose which laid the egg in the first place. Here in Canada we have a situation where CN and CP are now about the only facilities which serve some of those communities out there in the regions. If the regions lose the rail service, they lose transportation. Are we going to throw away the capacity of 4,500 railway cars per year which go into one pulp and paper plant in the Ottawa Valley on the Quebec side of the river? Can you imagine, Mr. Speaker, those 4,500 carloads of paper going out of there by truck? There are 1,800 carloads of chemicals which go into that same plant. Are we going to put that 1,800 carloads of railway traffic into trucks instead and take it over the roads of Ontario and Quebec?

I think the two provincial Governments will be in a position where they really have to take a very close look at improving the roads at the same time as they are considering deregulation of the transportation industry. I can imagine what would happen in eastern Ontario and western Quebec if that kind of traffic—and I am only talking about one plant here—were thrown onto the roads which are now in existence.

The Consolidated Bathurst Paper Mill receives approximately 4,500 railway cars per year. The company ships out paper in those cars. Out of the number I have mentioned nearly 1,800 of these cars carry chemicals which include chlorine, caustic soda, and bunker oil, to name just a few.

● (1650)

My concern is that if the railroads are allowed to abandon the rail line servicing this mill because of a lack of traffic then we face seeing these chemicals being transported over our provincial highways. Our local fire and police departments would have to be equipped to handle major spills. As traffic would increase, the fire departments would have to take on a different role. No longer would their role be just that of fire-fighting, it would be to handle major chemical spills on highways.

Our roads are already congested with heavy transports. I mention that in regard to the roads in eastern Ontario and western Quebec, which are a perfect example of this. We would be looking at another approximately 14,000 transports a year carrying these goods if the rail line is closed. The CN is talking about closing this rail line.

The Minister of Transport (Mr. Crosbie) is in the House today. I am glad he is here. In answer to a question one day he said to me that no Government would close the main line of the CN, say, from Montreal to North Bay, and that he would be looking into the matter. I will be holding the Minister to that. As these companies come in from the United States, hopefully, Canadian companies will be able to survive and grow bigger to compete with freight rates on lines in Canada. As this happens, we will see the CNR and the CPR before the new transportation authority looking for an opportunity to close up more rail lines. I think it is bad to put all this traffic onto the highways of Canada when the situation can be handled more safely by rail.

**Mr. Hovdebo:** Mr. Speaker, I would like to ask the Hon. Member a question. There has been a considerable amount of discussion with respect to this matter. If one reads through *Hansard* and the *Freedom to Move* document one will see that there has been much said about a national safety code. At present there is no such code. Regulations with respect to safety and licensing are different in every province. Does the Hon. Member think it is possible to have a safety code in place by 1989, when this Bill is supposed to come into effect?

**Mr. Hopkins:** Mr. Speaker, I wish to thank the Hon. Member for Prince Albert (Mr. Hovdebo) for his question. It is an important question indeed. What he is really talking about is the co-ordination of safety measures across Canada. Where regional safety measures have been developed over a number of years it is natural for there to be differences in terms of safety precautions in the different provinces. Sometimes the very geography of a particular region of the country causes more emphasis to be placed on one type of safety measure than another.

If one is to co-ordinate the regulations and pick and choose from those which have already been developed by the 10 provinces, then one is talking about a long period of time. I think the Hon. Member has asked me his question tongue-in-cheek. We have seen—and I am sure the Prime Minister (Mr. Mulroney) knows very well today although he did not at first—how easy it is to deal with 10 provincial Governments. That is precisely what will have to take place. Not only will 10 provinces have to be dealt with in terms of reaching some type of agreement, but that will have to be preceded by hearings in order to find out what type of safety measures one is looking for. Witnesses will have to be heard before a committee, be it a bureaucratic committee or a parliamentary committee. Presumably such regulations would be reviewed by a parliamentary committee in the end.

By the time we get around to carrying out all these procedures, and we have been talking about having them in place by 1989, I think that someone in the Government will have to be more decisive and really get on the ball to complete these regulations in short order. We all know how long hearings of this type take. We all know that the matter cannot be settled in one federal-provincial meeting between Transport Ministers