

Supply

In closing, railway rationalization is not only inevitable, it is necessary. Pressures on CN and CP to reduce their costs mean they must adopt innovative, non-traditional means of responding to market signals. The key for railways is to find rationalization solutions that minimize costs to carriers and shippers while at the same time maximizing railway opportunities to achieve financial viability and shipper opportunities to maintain or enhance their access to competitive rail services.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux—Montagnes, BQ): Mr. Speaker, I listened with a great deal of interest to the remarks of my colleague opposite. I appreciated his interesting list of successful conveyances of short line railways to private companies.

I would like to point out that before we make decisions on rail line abandonments with the approval of the government or the National Transportation Agency, a serious examination is in order because that kind of conveyance has negative legal and social consequences on employees despite all that can be said.

That is why our party has asked for a moratorium on rail line abandonments. There is no overall plan to reorganize the railway system, and we blame the government for it. There is no plan on which to base decisions to approve or reject requests for rail line abandonments and branch line removals by CP and CN.

We ask for a moratorium so we can examine the whole issue. We agree that companies may not be able to keep some lines that no private company can take over because they would not be viable. It should be pointed out, though, that the lack of viability is sometimes the result of extremely poor service, in which case we should take a look at what caused the problem in the first place. Is the lack of business actually the result of bad service that companies keep that way on purpose, to be able to ask for abandonment?

That leads me to questions concerning workers. Apparently, certain groups in transportation companies have more privileges than others. I did not go through their collective agreements, but we should enquire about the spending structure of CN when it says those privileges should be reduced. For example, CN set up a rating centre in Montreal, and, after spending a few million dollars to set it up in Montreal, it decided to transfer it out west.

• (1550)

This morning, my colleague, who is deputy chairman of the transport committee, mentioned a shocking case of exceptional perks granted to an executive. We should scrutinize all those things before we decide that there are cases of abuse, and that lines should be conveyed to private companies to alleviate the pressure of wages.

That brings me to the broader issue of—

The Acting Speaker (Mr. Kilger): Order. When members choose to share their time, they have ten minutes for their remarks and five for questions and comments. There is very little time left for the hon. member to answer or comment. I urge the hon. member to conclude right away, if he has a conclusion, so that the hon. member for London—Middlesex may give his answer.

Mr. Mercier: Mr. Speaker, since my conclusion would be too lengthy, I will be glad to listen to my colleague's answer.

[*English*]

Mr. O'Brien: Mr. Speaker, I guess I will not need much time to answer because frankly I did not hear a question. I heard some interesting comments from my colleague.

He touched on a number of issues and I will simply highlight one. He spoke about rail abandonment as something he is not anxious to see. Let me assure him that coming from southwestern Ontario as I do, coming from one of the most busy rail parts of Ontario, coming from the long and proud railway family that I do, neither my colleagues nor I are anxious to see willy-nilly rail abandonments either.

Unfortunately the sad fact of the matter is that there are rail lines in the country that make very little economic sense as they are currently structured. The minister is to be commended for seeking to rationalize the entire system because it is simply too expensive the way it is and common sense tells us that.

The Acting Speaker (Mr. Kilger): I thank the member for the short response. I am close to being back on schedule.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, it is a pleasure to take the floor today concerning the rail system, all the more so because the Bloc Québécois is able to speak today despite the government's efforts to exclude the official opposition from its study on the privatization of the CN as well as from major decisions concerning the rail industry. That is why the Bloc decided to devote an allotted day to railway transportation. Otherwise, the government would again have acted secretly.

Today's debate is very important because of the National Transportation Act of 1987. As of January 1st, 1993, this act allows railway companies to close down as many lines as they wish. Of course, such abandonments must meet the National Transportation Agency's criteria in order to be approved, but these criteria are established according to accounting standards instead of socio-economic ones, as they should be. I will come back to that in a moment.