

Adjournment Debate

● (2310)

Mr. Speaker: I therefore declare the motion carried.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

HARBOURS—CHURCHILL—STATUS OF PROGRAM TO ALTER FACILITIES IN VIEW OF CANCELLATION OF PLAN TO LAY HEAVY STEEL ON RAILWAY ROUTE

Mr. Cecil Smith (Churchill): Mr. Speaker, I am rising tonight to speak about the port of Churchill which, in light of recent events about which I will tell the House, does not have a very bright future.

Churchill has long been of priority concern to me. I have spoken in this House time and time again about how the port of Churchill must be developed if it is to remain operative and keep up with advancements in the grain handling system. I have told hon. members about the efficiency of the port. Churchill has been highlighted as one of the most productive and capable ports, for its size, in Canada. I have tried to convince the government that it must promote exports through Churchill and that the port has a capacity which far outweighs its current use. Churchill is capable of handling between 30 million and 40 million bushels of grain per season without difficulty, and the test year of 1976 proved that the port could easily handle a record shipment of 28.4 million bushels of grain.

The federal government has committed a great deal of money to the town of Churchill and to the port. The government funded an \$11 million complex for the town, and a total federal budget of about \$10 million has been committed for the restructuring and upgrading of the port. This estimate, however, has increased as the result of inflationary factors.

When broken into its elements the budget reveals that \$200,000 will be expended to automate the scales and convert them to metric readings; \$70,000 will be spent to improve loading chutes; \$1.1 million is the anticipated cost of facilities for controlling grain dust; \$500,000 will be spent on new staff quarters; \$400,000 will be set aside for modifications to the tugboat there; \$5.9 million will be expended over the next two years for dredging the port; and \$800,000 was planned for

[Mr. Speaker.]

changing the elevators to accommodate new aluminium hopper cars which will eventually replace Canadian National's fleet of grain handling boxcars.

It is with the last two items in mind that I am greatly concerned over a recent announcement by CNR that upgrading of the track to Churchill, which is necessary if the port is to keep up with CN's new grain hauling innovations, will not be completed as expected. Since there are moneys in the estimates for altering the car dumping mechanism to handle the new hopper cars, and since tenders have been called for the dredging of the turning basin at the port, it is my fear that these programs will have to be suspended as the result of CN's decision to discontinue upgrading of the track in question.

The Canadian National decision to halt work on the Herchmer subdivision could prevent Churchill from participating in long-term grain exports because the grain handling system in Canada is rapidly moving toward exclusive covered aluminum hopper car utilization. I have been led to understand that by 1986 the heavier aluminum hopper cars will have replaced the box cars that are currently in use on the Churchill line. If Canadian National Railways does not complete upgrading of the remaining 180 miles between Gillam and Churchill, the Churchill line will be obsolete in the realm of grain transport. Churchill could lose from 25 to 30 million bushels of northern Saskatchewan grain throughput if the line is not upgraded to accommodate the new cars.

The CN announcement which, incidentally, was brought to the attention of delegates to the 34th Annual Convention of the Hudson Bay Route Association in April of this year, came as a complete and utter shock to everyone. The Snavely Commission Report on Grain Handling Costs had recommended to the government that the 180 miles of track constituting the Herchmer subdivision north of Gillam be designated a "development" rather than a "grain dependent" line. CN, which had originally assumed that the line would be eligible for federal subsidy, had already invested \$6 million in upgrading part of the line. Eighty-five per cent of the traffic on the Churchill line is grain. CN, however, cannot now justify a further expenditure of \$15 million which is necessary for the completion of the line.

This entire situation has left me with the feeling that the government and CNR are in a flux. Although the government has injected a great deal of money into Churchill, it refuses to promote the port facilities. And until the Hall Report on grain handling and transportation is made available, the federal government will take no action itself in upgrading the Herchmer subdivision.

Then there is CN, which refuses to commit further expenditure on a line that, at this moment, appears as if it will never be profitable. The Snavely Report has reduced CN's confidence that money would be forthcoming for expenditures on the line. It, too, wants to hear the recommendations of the Hall Commission which, so far as I know, will be tabled Monday.

The people of Churchill, Mr. Speaker, do not know what is going on. They just do not understand why it is that their