

Government Orders

In 1877 Ottawa agreed to pay a subsidy for the operation of a steam ferry boat. The *Northern Light* was put into service in the Northumberland Strait.

The idea of building a tunnel under the strait to maintain year-round communication was first bandied about in the early 1880s. However, with the introduction of ice-breaking ferries in 1917-18, the problem of ensuring continuous communication was resolved and the idea of establishing what we now refer to as a fixed link was abandoned for the moment. Only then were ferries pressed into service twelve months of the year.

The amendment in question provides for a fixed crossing joining Prince Edward Island to the mainland to be substituted for the ferry service between Cape Tormentine and Borden.

Let me start by saying that it is rather significant that we find ourselves having to debate a constitutional amendment, since the present government refuses to discuss any amendments to the Constitution which, as noted in section 52 of the Constitution Act, 1982, is the supreme law of Canada.

In a famous ruling, the Judicial Committee of the Privy Council in London compared the Canadian Constitution to a tree capable of growing within its natural confines. History has proven otherwise. It has taken more than a century for us to get around to debating here in the House the construction of a fixed link between New Brunswick and Prince Edward Island.

As much as we want to muzzle debate on the Constitution, the subject keeps coming up because it is part of an evolving process. A country is not frozen in time. It is constantly evolving. The constitutional amendment sought under section 43 of the Constitution Act, 1982, is an integral part of section 38 and subsequent sections which set out the process for amending the Canadian Constitution. We cannot help but recall 1982 and the painful memories it conjures up for Quebec. We cannot help but remember the rejection of the Meech Lake Accord and the rejection by all Canadians of the Charlottetown Accord.

This amendment put forward by the government shows us that constitutional talks cannot be relegated to the back burner and that it is impossible to artificially stop a process which, by definition, is constantly evolving.

This constitutional amendment will put Prince Edward Island in contact with the mainland through the establishment of a fixed link. And I am very happy for island residents.

Representatives of the federal government and Strait Crossing Development Inc., an international consortium, have signed a contract valued at \$840 million for the construction of a bridge. It will cost approximately \$800 million to build the bridge, while \$40 million will go to cover interest charges during the three-year construction period.

Since the debate began this morning we have heard the same speeches. However, the facts cannot be disputed.

The proposed bridge will be 13 kilometres long. This superstructure will replace the ferry service between Cape Tormentine, New Brunswick, and Borden, Prince Edward Island.

• (1655)

It is a fact that the province was given guarantees under the Constitution regarding links with the continent. Today, a ferry service is provided by Marine Atlantic, a Crown corporation. Responsibility for financing, building and operating a bridge connecting New Brunswick and Prince Edward Island was given to Strait Crossing Development, a Canadian company. The company will receive an annual federal subsidy of \$41.9 million in 1992 dollars, this amount to be indexed for 35 years, starting in 1997. This works out to a total of nearly \$1.5 billion. The company obtained financing through a private bond issue worth \$660 million. The bonds have a triple-A rating, the best guarantee the banks can have.

Although I agree with this amendment, since we are bound by one of the terms of union under which Prince Edward Island entered Confederation in 1873, I nevertheless have some reservations about the project. The cost of the ferry service operated today by Marine Atlantic, a Crown corporation, is around \$28 million. There are some substantial differences here. The bridge subsequently becomes the property of the federal government. The agreement provides that the federal government will acquire ownership of the bridge in 2032. In what condition will the bridge be at that point? That is certainly a question we can address in the House. Does the government have sufficient guarantees that the bridge will be handed over in good condition and that it will not have to invest in extending its useful life?

During the first year, tolls will equal the rate charged for the ferry, which is \$11.05. Subsequently, increases should not exceed 75 per cent of the rate of inflation. The promoter will collect the toll fees. At this point, one wonders whether this is a firm commitment or whether the door is still open for renegotiating rates if traffic remains below the forecast levels.

Economic spin-offs will include about 2,675 person-years of work during construction, or 900 to 1,000 jobs annually with a construction season of about nine months. As we said earlier, 96 per cent of the labour force will be from Atlantic Canada. However, what will happen after completion of the project? Is it back to the vicious circle of unemployment insurance and welfare? Will tourist revenues be sufficient to prevent this?

The government admits that about 420 permanent employees with Marine Atlantic will lose their jobs when the bridge is opened to traffic and that only 60 jobs will be created. This means a net loss of about 360 jobs. Further costs are expected, including negotiating service allowances and funding for re-