

Government Orders

In 1986 the Economic Council of Canada published the report: "Minding the Public's Business". In chapter five titled "Government Enterprise and Business" the economic council made the following recommendations:

Entry into rail carriage could be promoted in different ways. The provisions in the proposed legislation could be expanded to make running rights more easily available and to open entry into rail carriage to anyone who can meet the basic requirements related to safety and liability coverage. Instead of regulating the activities of CN and CP in their capacity as providers of the roadbed, the management of all track could be assigned to a new publicly owned track authority. This would require the nationalization of CP's roadbed and the separation of CN's track from the other components of its operation. Alternatively, a public track authority could be created, based exclusively on the infrastructure of CN.

● (1250)

This is an idea whose time has finally come. The government should give serious consideration to establishing a public track authority which would operate similarly to our highway system. This would eliminate the tax disadvantage placed on rail companies because while they pay fuel taxes, they also have to pay the full costs of maintaining their own railbed. Trucks on the other hand pay fuel taxes but their roadbed, the highways, are maintained at public expense.

Such a public track authority could charge user fees to rail companies based on the use they make of the tracks and as a result could be self-financing. At some point in the future even the public track authority could be privatized.

The Canadian Chamber of Commerce supports a fully user pay rail infrastructure. It had this to say in its 1994 submission to the special joint committee reviewing Canada's foreign policy:

Canadian businesses are increasingly pointing to an unlevel playing field between the Canadian and U.S. commercial environments—One tangible example among many can be found in the Canadian transportation industry. Rail, for example, provides the most economic mode of transportation for a large part of Canada's freight and for many shippers is the only cost effective mode. It is fundamental to Canada's trade, moving 40 per cent of Canada's exports and provides a fully user pay infrastructure not liable to ongoing public funding.

Finally, I would like to comment on the importance of the port of Churchill to the farmers of Saskatchewan and Manitoba. The privatization of CN should be seen as an opportunity to privatize, expand markets, modernize and increase exports and imports through the port of Churchill.

This will take more than just the privatization of CN. It will take the co-operation and likely the privatization of both VIA Rail and Ports Canada. It will take the co-operation of the federal government, the governments of the provinces of Manitoba and Saskatchewan, and the co-operation and support of every community and producer whose future will be improved by taking advantage of the most cost effective shipping route for

bulk commodities to our customers in Europe, Africa and South America.

I respectfully ask the government not to look at the Churchill line and the port of Churchill as a liability but as an opportunity requiring creative thinking and a co-operative creative privatization strategy. I hope to have an opportunity to comment on a few of these ideas in future debates on Bill C-89.

I would like to close with the comments Dr. Pirie made at the 1987 Fraser symposium. He describes the most exciting part of the privatization process. He said:

You will find privatization enables you to bring opportunities to ordinary people. It gives your citizens a chance to take part in the wealth creating process. It speeds up economic growth. It cuts the costs of government. It turns losses into tax revenues. In Britain, it is ending the old politics of division—the old politics of "us who don't have it and them that do".

These are the real reasons that Reformers support privatization of crown corporations.

● (1255)

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I would like to begin by commenting on the process here. As I understand when the procedure for referring a bill to committee before second reading was thought about in the standing committee on procedure some time ago, frankly I do not think this was the kind of bill we had in mind for referral to committee so early on. In my judgment this is the kind of bill on which there should be a full second reading debate on the principle of whether or not CN should be privatized.

I would like to register my objection to what I would consider to be a misuse of this particular procedure. Presumably it is in order to avoid just that kind of full scale debate about the privatization of CN, although I do not know why the government would bother to avoid it. Obviously there is a great deal of agreement between itself and at least the Reform Party on this measure.

Also, the government has an obligation to instruct or ask the committee, whatever is appropriate, to consult with the communities and other stakeholders that will be affected by the privatization. Just to have the hearings in Ottawa without going to Winnipeg and other places where people have good reason to be anxious about the effect of the privatization of CN is a mistake. It is certainly something the government should reconsider although I do not expect it too. It seems to be in an unholy rush to have this all over and done with, a rush which I do not understand.

This is a very sad day for me. I will have been in this House 16 years come next week. I have spent those 16 years defending and promoting the role of CNR as a publicly owned railway compa-