

Supply

equipment and facilities did not bring about the anticipated results.

If I may, Mr. Speaker, I should like to emphasize the fact that I represent a riding which is almost completely deprived of all means of transportation. In its Eastern part, it is even without roads. During the summer, for the most part, we depend on sea and air services. I can tell you that if, every year, it had only one of every 20 dollars of the amount I have just mentioned, it could work miracles by improving its means of communications as well as its health and education services. We must realize also that in spite of the huge amounts of money it was paid over the past few years, VIA Rail has failed to improve its performance. Although its subsidies skyrocketed, its ridership went down.

We must face the fact that VIA Rail saw the number of its passengers, which amounted to 5.9 million in 1987, increase to 6.4 million in 1988. But, in fact, this increase in VIA's ridership in 1988 is compared with 1987, the year during which VIA Rail transported the smallest number of passengers since its creation. As a matter of fact, the ridership is down 20 per cent as compared to 1981, when that year it transported approximately 8 million passengers.

A general view of the passenger service offered in this country indicates that VIA Rail has not improved its performance. In spite of the fact the Government played its part, and VIA Rail tried to improve its services, we must recognize that Canadians have turned their back on the train. They have demonstrated their preference for other means of transportation. Today, rail passenger service in Canada accounts for only 3 per cent of all long distance travels, compared to 7 per cent by plane and 84 per cent by car. Six per cent of long distance travellers prefer bus transportation. Twice as many Canadians have used buses over VIA Rail trains.

All these data confirm that Canadians clearly prefer travelling by means other than trains.

As the Minister of Transport stated, and I quote:

Canadian taxpayers can no longer afford to provide increasingly high subsidies to a means of transportation which travellers are abandoning in increasing numbers.

The government had promised Canadians to provide them with an affordable and modern national system of rail passenger services. However, Canadians must use it.

The federal government wants Canadians to understand that they must use railway services or lose them, and that financing for passenger rail services will depend on the choices they make.

Since railway services attract so few travellers and the government is committed to reducing expenditures, we cannot keep giving VIA Rail the same financial support we have in the past.

Mr. Speaker, let me explain. We must realize that the situation at VIA Rail has deteriorated on all fronts. In 1988, VIA Rail had 6.4 million passengers, a 20 per cent drop since 1981. Allowing for the increase indicated in the preliminary figures for 1989, ridership is still 19.5 per cent less than it was in 1981, this at a time when subsidies to VIA Rail increased considerably. They went from \$524 million in 1981 to \$641 million in 1988, an increase of 22 per cent. The average per passenger subsidy received by VIA Rail from the Government of Canada has gone up 52 per cent, from \$66 in 1981 to \$100 in 1988.

Cost recovery has only gone from 28 per cent in 1981 to 30 per cent in 1988. I think these figures are very revealing.

VIA ridership has gone down slightly, from 53 per cent in 1981 to 52 per cent in 1988. VIA Rail operating costs were over \$753 million in 1988, while revenues were \$223 million. Is there any carrier in Canada, whether we are talking about air, marine or highway transportation, that can afford to spend \$750 million with revenues of about \$225 million? No company can afford to do that. Only VIA Rail could, because every year, VIA Rail could count on the generosity of Canadian citizens who were financing passenger rail transportation with their taxes.

I would like to mention certain routes, including the Toronto-Windsor route which had the best record for cost recovery in 1988, although it was still only 43.6 per cent.

The Toronto-Calgary-Vancouver route had the highest ridership rate in 1988, that is 70 per cent, but cost recovery was only 30 per cent.

In 1988, per passenger subsidy ranged from \$21 on the Toronto-Niagara Falls route to \$484 on the Edmonton-Prince Rupert line. It was \$378 on the remote line from Winnipeg to Churchill, \$199 on Cochrane-Kapuskasing, \$116 on Montreal-Saint-John-Halifax and \$74 on Montreal-Quebec City.