

*National Transportation Act, 1986*

This could be a serious disadvantage for those who compete with U.S. producers for foreign and North American business. Furthermore, with mandated joint line rates, U.S. carriers could effectively eliminate Canadian rail competition for trans-border traffic by cancelling routings.

For example, let us consider a shipment of western Canadian wood pulp destined for the U.S. east coast. At the moment, CP Rail carries the shipment across Canada, handing it over to Conrail at an eastern Canadian gateway, for delivery to New England. With a mandated joint line rate, CP Rail could be required to turn the traffic over to Burlington Northern at the Alberta-Montana border. Conrail would then pick it up at Chicago and haul it to its destination. Clearly it is in Conrail's best interest to cancel its routing via eastern Canada and funnel traffic through Chicago. Currently, Conrail keeps that routing open because CP Rail has other choices. However, if CP Rail's eastern routing is cancelled, the shipper's competitive options would be reduced.

This would result in a massive export of jobs and economic activity to the United States, because of the increased routing of Canadian traffic through the U.S. Obviously, that is not in Canada's best interests. We should be very concerned about the jobs in those areas directly connected with the railway, including the running yards, equipment maintenance, the ports and many others. Thousands of jobs are at stake because the Government is foolish enough actually to contemplate this kind of measure.

A mandated joint line rate would also undermine the economic health of many of the regions in which Canadian shippers operate. I believe that the most detrimental part of the legislation is the mandated joint line use. Our very existence as a country is at stake.

If our railways are forced to cut each other's throat in order to compete not only among themselves but with the American railways, more and more concessions will be demanded from railway workers, safety will be increasingly compromised and other steps will be taken that otherwise would not be necessary if this legislation were not stopped.

I hope Canadians will understand the implications of this legislation. We in the Opposition will do our best to make the public aware of what is happening.

Let me return to the Minister's speech. At page 2321 of *Hansard* he said:

The new legislation is not to just create or preserve jobs in other sectors of the economy; it is to help create and maintain jobs in transportation itself. That can only be done if the demands of travellers and shippers increase in a growing economy.

Secure jobs in the transportation industry can only be maintained if the industry is basically sound itself. Therefore, legislation must balance the needs of users of transportation with those of the suppliers of transportation. This Bill is not balanced. It will foster rates that are so low, partly through unequal competition with American carriers, that the viability of Canadian carriers will be put at risk.

One must question whether this is the ultimate goal of the Conservative Government which has talked about privatizing CN? Does it want to so weaken both Canadian railways that at some time it will be able to make the argument that no one railway can stand on its own any longer and there should only be one railway in Canada? Of course, the Conservative ideology is that this one railway should be privately owned so that we would see the fire sale of what was left of CN to Canadian Pacific. One wonders if that is the Government's hidden agenda.

That seems to be the only explanation for the Government's embarking on a regulatory regime that would have the effect of weakening our two national railways to such an extent. Perhaps that is the hidden agenda behind this Bill. No tests have been made of the market impact of the measures in this Bill. The Government is flying blind ideologically. A more measured approach, enabling the impact of certain competitive provisions to be tested, would make a lot more sense than proceeding in the way the Bill is designed.

• (1540)

The Minister also said on page 2232 of *Hansard* of December 19:

The most significant new option is to allow the Minister to use moneys, which otherwise would have had to be spent to subsidize the line, to help shippers and communities adjust to alternative services such as trucking.

Here again we see a thrust which began under the Liberals, which is now to be accelerated by the Conservatives, of rail line abandonment. Only now people are to be somehow satisfied that there will be a little fund created to help them make the transition from having rail lines available to using trucks. I am against this on two counts and one is from an environmental point of view. I just spent some time this morning at the meeting of the Special Committee on Acid Rain. We heard how nitrous oxide emissions from heavy duty vehicles are a serious environmental problem. What do you think could be more environmentally stupid, Mr. Speaker, than substituting dozens and dozens of trucks for one train? Yet that is the trend and has been the trend for some time. We are going in exactly the opposite direction we should be if we are trying to reduce the emissions of nitrous oxide and other pollutants which come from internal combustion engines into our environment. This really smart idea of the Liberals is now to be carried out and completed as the final solution by the Conservatives who say: "We have a solution to nitrous oxide emissions. Let us get rid all the trains and let us have trucks going everywhere all across the country. Let us undermine the railways". That does not make any sense to me either environmentally or economically.

It is not going to make much sense to any of those small communities which might be affected. If those residents take a close look at the legislation, they will see that even for those who are in favour of rail line abandonment, which I am not, the new provision is flawed because the full costs of a line are not taken into account in the determination of whether or not it is economical.