



November 10, 2005

## **Ridley Sell-Off To Doumet Family Contrary to Government's Stated Divestiture Policy**

**OTTAWA--** "The sell-off of Ridley Terminals to the Doumet family is contrary to the stated policy on Port Divestiture of the Minister of Transport," said John Cummins, M.P. (Delta-Richmond-East).

The Port Divestiture Program (PDP) was designed to let local communities and other interested groups acquire ports that were federally owned and operated. According to the Minister of Transport the Divestiture Program follows a transfer strategy to ensure that:

- "No offer that leaves the Crown financially worse off as a result of divestiture will be accepted."
- "The Crown receives best value for port land and other assets;"
- "A new port owner will not enjoy any windfall profits ..."

The stated "objective" of the Divestiture Program is to ensure that the divested port "contributes to the achievement of Canada's international trade objectives as well as national, regional and local economic and social objectives."

Under the Divestiture Policy "the Minister may fix fees to be paid" by shippers using the port.

The sale of Ridley Terminals to the Doumet family fails to meet any of these stated criteria: (i) With the loss of Ridley Terminals, the federal treasury would be denied future profits from the port. (ii) The federal government has not chosen the best deal from the offers received. (iii) The Doumet family will enjoy windfall profits. (iv) The divestiture to the Doumet family will undermine the competitive position of northeast coal with their Australian competitors. (v) The Minister has not established a public agency to regulate the fees charged to shippers.

On a previous occasion when the Doumet family faced financial difficulties it was forced to turn over its assets to trustees in bankruptcy that in turn sold them off. The bankruptcy proceedings revealed a web of corporate interconnections that even the courts had difficulty untangling.

"The scramble by the Minister of Transport to sell-off Ridley Terminals to the Doumet family is contrary to his own stated policy on Port Divestiture," said Cummins. "The Minister has failed to ensure the international competitive position of the port, has failed to establish a publicly accountable rate setting agency, and has failed to ensure that Ridley will be managed in a competent and responsible manner."

**Contact: John Cummins, M.P.**

(613) 992-2957, (cell) (604) 970-0937, (604) 940-8040