

*Provision of Moneys to CNR and Air Canada* full of opportunities and of potential, whereas in the cities where people concentrate there are so many problems that in a few years' time people will want to go back to living in these little towns.

I will repeat what I have said before on several occasions, that some of these policies, including the transportation policy, are forcing people to move into cities and to group together because these policies affect mainly the rural parts of Canada, and here I do not refer only to the Atlantic area.

The bill also deals with Air Canada. Recently, the minister spoke about replacing this service by regional carriers. The people of my constituency have protested against this, and rightly so. The service provided by Air Canada from Yarmouth, for example, connects the United States with other parts of Canada, and it is absolutely essential that it be continued. Similarly, there is a proposal to remove the passenger service between Yarmouth and Halifax, a distance of some 225 miles. Yet, on the other hand, we will be putting into service next year two new ferries joining New Brunswick to Nova Scotia and another one travelling between Portland, Maine and Yarmouth, making a total of three ferries joining that part of Nova Scotia with the rest of Canada and with the United States. So, on the one hand we are proposing to remove rail service and on the other we provide ferry service.

As has been mentioned before, transportation will certainly not guarantee economic expansion in certain parts of the country, but the lack of transportation will certainly retard economic expansion. Certain people say that transportation will not bring us salvation, but the lack of it will certainly retard it. Let the minister draw up a policy and let him take action. For years we have been hearing about a transportation policy for the Atlantic area, but it has never been drawn up. Many things have changed since then. We were told that the freight rates would not be changed until a policy was devised. Rates have been changed and all kinds of other action has been taken, but a policy has not yet been devised.

I do not want to take any more of the time of the House, but I do want to draw the attention of hon. members to certain matters with regard to my constituency. The bill before us is to be referred to the Standing Committee on Transport and Communications. I do not see the purpose of doing this.

[Mr. Comeau.]

What else can the committee do with this bill but accept or reject it? It certainly cannot formulate policies in so far as transportation is concerned because the government does not usually accept the reports of standing committees, particularly of the Committee on Transport and Communications.

I should like to say in conclusion that we have to come up with a better solution than the abandonment of rail service. I wish to ask the Minister of Regional Economic Expansion (Mr. Marchand) in particular to take a look at this matter. He has control over all departments in so far as regional disparities are concerned. I ask him to convince the Minister of Transport (Mr. Jamieson) that action must be taken now and that it is essential that the government come up with something better than the abandonment of railway service, of postal services as well as of various other services.

**Mr. R. R. Southam (Qu'Appelle-Moose Mountain):** I want to take a few moments this afternoon to join my colleagues in this House in discussing Bill C-7, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada. I have been very interested in the remarks of many speakers who have taken part in the debate. They impressed on me the importance of the whole subject matter dealt with in the bill. Several days ago, the hon. member for Crowfoot (Mr. Horner) opened up in a non partisan manner a broad spectrum of problems facing transportation in Canada at present. These problems are likely to continue to face us in the future. A number of years ago I had the privilege of being a member of the Standing Committee on Transport and Communications. During that time we brought forth the bill setting up the Canadian Transport Commission. It was interesting at that time to listen to the discussions that took place with respect to the costing formula.

Although this matter has not been referred to recently, it continues to be one of the basic issues facing the commission in arriving at a decision with respect to applications for rail line abandonment. All this goes back to the MacPherson Royal Commission in the latter part of the 1950's when the Hon. M. N. MacPherson of Regina, who was recognized as one of the foremost authorities on transportation in Canada, brought in a very forthright report. During the discussions of the Standing Committee on Transport and Communications