

Committee on Railways and Shipping

The 15th of the month is now past, so the information should be available. I ask the minister to furnish it.

Then I pass on to one other matter upon which the Canadian people are asking for information. I refer to the Queen Elizabeth hotel in the city of Montreal. On February 14 I asked not for copies of correspondence with the railway company but for the letters from the Department of Transport or the minister with regard to the Queen Elizabeth hotel. That motion was turned down by a vote of the house, with every member supporting the government voting against it. When a commitment running into millions of dollars—and the estimate of the cost of this hotel is some \$20 million—has been made of moneys belonging to the Canadian people, upon considerations which must have governed the directors of the railway company in making such a commitment, surely the Canadian people have a right to know why, when this great hotel is completed, it should be turned over to the Hilton Hotels Corporation, a United States corporation. The Canadian hotel operators want to know what Canadian hotel corporations had an opportunity to bid in this matter. My information is that the hotel association communicated with the Prime Minister (Mr. St. Laurent) early in January to ask him about the situation, and had no reply by the end of January.

Mr. Deputy Speaker: Order. I have been turning up the references, and I find that on Monday, February 14, the hon. member moved for information along somewhat the same lines as he is now discussing, and that the motion was negated on that date. I am just wondering whether he is in order in going on at this time at this length on the same subject.

Mr. Diefenbaker: With deference, Mr. Speaker, may I point out that my motion was to get the documents. That motion was turned down. What I am asking for now is the information, not the documents. The motion for documents was defeated. I therefore can do no more than accept the decision of the house as, of course, I do. But what I am asking of the minister now is this. Why can we not get a peek behind this curtain of secrecy into the reasons that a management lease was given of this hotel?

The Canadian people are furnishing the money. They have a right to know what peculiar considerations would impel the Canadian National Railways to build this fine hotel needed in Montreal and then, having built it, turn it over to someone else for operation. Is it going to be profitable? How much is going to be paid? Or is it going to

[Mr. Diefenbaker.]

turn out to be a white elephant? I am not suggesting that it is, but it seems passing strange that so mysterious a transaction should have been entered into. Just imagine it, Mr. Speaker; we pay the money, get the hotel and then turn it over to somebody else. Why? That is what we ask. After all, parliament is being asked to consider the accounts and estimates. If ever there was an expenditure that should be looked into and that should not be hidden in a veil of secrecy, this is it. This is one transaction that deserves the fullest investigation.

Now, sir, I feel that the minister should give this information. I can do no more than ask that he do so. Today the Canadian people are wondering and the correspondence one receives indicates it, why this transaction was entered into. Why was the construction proceeded with at public expense? Why were Canadians not given an opportunity? If there was a change of plan on the part of the railway company, why was it necessary to go outside of Canada to find a hotel company to operate a Canadian hotel for and on behalf of the Canadian people or the Canadian National Railways?

There is one other matter I should like to bring to the minister's attention. The hon. member for Greenwood (Mr. Macdonnell) dealt with the deficit this year. The past year has not been a year of railway expansion except in the hotel line. Requests have been made and supported, I believe, by one of the members of the government, for railway construction to tap our resources, particularly the resources in the northern part of the western provinces. Indifferent transportation facilities have been the main cause of delay in developing the north country. Let no one say that is not a fact, because the statement was made quite recently by the Minister of Northern Affairs and National Resources (Mr. Lesage).

I believe the time has come for Canadian National Railways to consider the strategic extension of railway lines to meet the present and the long-term needs of the vast mineral empire of the north. Already consideration is being given, I understand, to a railway line from Waterways to the south shore of Great Slave lake. I say I believe such consideration is being given because the Minister of Northern Affairs and National Resources is reported to have so stated. Having regard to the tremendous development taking place in the western provinces I believe there is a need of extension of railway facilities.

In Manitoba, Canadian National Railways extended its line from Sherridon to Lynn Lake. Consolidated has now commenced