

*Canadian National Railways and Air Canada*

have the equipment and the expertise to discharge their responsibility for moving commodities and passengers from one end of Canada to the other.

There was a great deal of discussion in the committee on the question of the shortage of boxcars and rolling-stock. Being a westerner, I am naturally interested in this matter from the standpoint of the movement of grain. It is interesting to note that since 1950 no general purpose boxcars have been built for either of our railways. The hon. member for Crowfoot indicated that in 1963 there were about 88,200 general purpose boxcars which could be used and were suitable for the movement of grain. This number had declined to 70,600 by 1968, and by 1973 it had slumped to 48,200. During the examination of this bill it was indicated that 3,465 boxcars had been ordered by CNR in 1973, of which some 3,000 had been received. I asked officials of the CNR how many of these were suitable for the movement of grain, and the answer was "none".

But there is more to this situation, Mr. Speaker. It seems that about 2,500 boxcars were retired from the system and of these 1,500 were suitable for the movement of grain. In effect, in 1973 CNR alone had a decrease in the number of available units to move grain of something in the order of 1,500.

In the issue of the *Western Producer* for January 3, 1974, there is an annual forecast by farm leaders for 1974. They give their views and projections for 1974 and say what they think the future might hold. There is a very interesting article concerning the boxcar shortage by Mr. A. M. Runciman of United Grain Growers. He indicates that the rail boxcar shortage will be a major farm problem in 1974. I should like to quote from the article because I think it is significant. He said:

But I want to deal with boxcar shortages because I think it's the worst single problem facing farm people in the near future. I don't mean the current shortage encountered by the Canadian Wheat Board, largely due to this past summer's strike. I mean the disastrous situation lying ahead—say three years from now—when we simply won't have enough grain cars to move the grain we want to move.

All through the committee hearings we were given excuses and reasons by the CNR for not providing sufficient rolling-stock. In their opinion it was not a good investment. But I want to remind you again, Mr. Speaker, that it was for this purpose that the CNR was created and asked to discharge a responsibility in this country; that is, the movement of goods and people from point A to point B. Mr. Runciman later in the article said:

The trouble is, there seems to be very little being done, and there is the risk that the whole situation could fall around our ears while we're still scrambling to find out what the problem is.

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He continued:

What are the reasons for the shortage? Why aren't the railroads building cars for moving grain?

Everybody is familiar with the complaints of the railroads. They say they don't make enough money moving grain compared to other products, and so they're building cars to move all products but grain. They claim if branch lines are abandoned, losses from moving grain will continue because there will be no subsidies to defray costs if the grain moves on the main lines.

Are the railroads telling the truth? I don't know. But I'll bet even if they were, we wouldn't believe them.

[Mr. Mazankowski.]

The claim of the railroads about not being able to make money hauling grain reminds me of the person who applied for a licence to sell liquor in his dining lounge so that people could be served drinks with their food. As you know, sir, there is always more profit in selling liquor than in selling food. In this case, after a time the man would prefer to drop the food operation and simply sell liquor because liquor is a better paying proposition than food. In some ways the railways are in the same position. They are obligated to move all commodities, not merely those bringing high profits. They are responsible for moving all items, items of low value to them as well as items that bring a high return.

Mr. Runciman went on to say:

The first step then is to find out the reasons. It can be done. There is a government agency called the Canadian Transport Commission which operates under the National Transportation Act.

The transportation act empowers the Minister of Transport, to whom the CTC responds, to enquire into costs of transportation. So what do you think of farm organizations requesting the Minister to instruct the CTC to put the railroads' financial facts on the table? In other words, get an independent analysis of costs by a government agency—not the railroads' side of it. If a cost analysis isn't publicly disclosed by the CTC, I can see all kinds of haywire tinkering with solutions to the boxcar shortage—including attempts to change the Crownsnest rates.

That suggestion ought to be considered. The minister and the government ought to remind the CNR that its major responsibilities include the movement of grain and of all commodities.

I am sure we were all disturbed to learn facts contained in the third report of the commission looking into railway safety, which was tabled. This document is a damning indictment of the railways. They have not maintained their lines as well as they should have done, and those lines cannot accommodate heavy loads and heavily loaded boxcars. Apparently accidents and derailments have just about tripled since 1959, and nearly doubled since 1969. Because of deteriorating track conditions and the safety shortcomings alluded to in the report, the Canadian Transport Commission has instructed the railways to reduce the maximum net weight of its cars to 70 tons from 80 tons per car, to reduce the height of loads and speeds and to take necessary steps to reduce excessive strains which now are greater than the present track structure can bear adequately.

What will be the effect of these instructions? There will be a reduction in efficiency and capacity on the part of the railways. The railway companies will not be able to discharge their responsibilities as well as they ought to, and therefore there will be a growing backlog with regard to commodities needed on the Prairies, B.C., the Atlantic provinces and other parts of the country. It behoves the government to bring the railways immediately to task. They should take action immediately to upgrade their track facilities in order that they can operate at maximum efficiency and capacity. It is time the government reminded the railways of their duties and obligations in this country. It should instruct them to do the job they were intended to do.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, the speeches made tonight have interested me, particularly those made by Conservative members. I only wish we were considering the Canadian Pacific Railway as well, to