

*Branch Railway Lines*

not quite fair to the railways. From the day I took over this portfolio I have been under constant pressure from the heads of both railways to bring on this legislation, and if they have not blasted me in public they have come quite close to it once or twice in private.

**The Chairman:** It is my duty, pursuant to standing order 39A, to inform hon. members that the following question is to be raised at 10.30 o'clock this evening:

The hon. member for Danforth, unemployment insurance, denial of benefits to striking newspaper employees in Toronto.

At six o'clock the committee took recess.

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**AFTER RECESS**

The committee resumed at 8 p.m.

**Mr. Hamilton:** Mr. Chairman, before the break for the dinner hour I was dealing, in a very general way, with some of the history of this railway problem and pointing out near the end that the Crowsnest pass rates were a matter of charter rights to those of us in the west. I expect that some time, probably during the debate, the maritime members will explain how their interests have to be protected also. In the time that remains to me, which is not very much, I want to wind up with the strongest statement that I can on what I think the problem from now on will be, in so far as putting this legislation through, getting it accepted and making it work.

In my earlier remarks I mentioned that in the fall of 1962 through to the end of January, 1963, we had put considerable effort, as a government, in getting the interested parties on the economic side into a meeting with those on the political side and trying to explain to them what our objective was. It is very important in this type of complex legislation to have understanding and sympathy with other political organizations that are affected. There has been a great deal of talk over the last year or so about co-operative federalism. The co-operative federalism envisaged in my mind is where adult governments which have matured mentally, knowing full well what their constitutional responsibilities are, are willing to sit down on any particular subject as equal governments, regardless of political affiliation, to see if they cannot come up with some common agreement. This was the basis of my approach and the

approach of the governments of the three western provinces.

I think we had an understanding. If you read the statements of ex-premier Lloyd on this matter, you will find he had the same concept. They know in western Canada that adjustments have to be made, but there are certain things that have to be said, certain things that have to be done, to protect the social and economic interests of the people there. These social and economic interests were created by the federal government in the national policies of that day. There was a desire to fill up western Canada with people. These railway lines were built as a part of that policy and the railways were the chosen instruments of the federal government. It is true that during this process of filling this vast area the railways were built where it is clear now they should not have been built. It is clear also that when the Canadian National was put together in 1919 it had the task, as the chosen instrument of the federal government, of bringing together this hodgepodge of lines as an integrated railway system. By contrast, the Canadian Pacific was built on an integrated basis and its problems in connection with applications for abandonments of lines are not nearly as great as those of the Canadian National which was left with this inheritance from this tremendous overbuilding at the beginning of the century.

It is because of this national policy of 60 years ago that we must move with great caution at this time. You cannot, in justification of human values as well as economic values, move in and arbitrarily take out railway lines on a dollars and cents formula per line. The fact that you created the situation as a result of national policy means that it must be met as a national policy. I believe I said that many people in western Canada, as well as the provincial governments, are prepared to accept the premise that in return for getting clear of this fear that there will be ever spiralling freight rates applied to them, they must be willing to accept a rational economic proposal put forward by the federal government. However, they have a duty to protect their people, and this duty must be discharged in the form of representations from provincial governments. We, as federal members from the prairie provinces—almost entirely Conservative at the present time—intend to bring our representations forward as individual members of ridings. However, a duty falls upon the provincial governments to represent the people of their provinces as well. It is in this field or arena that I would