

CNR and Air Canada

We place the highest priority on creating a prairie grasslands park. There has been tremendous public interest in this matter, not only from members representing federal ridings in Saskatchewan but from large numbers of people outside the political sphere and from people outside Saskatchewan who feel it is important that a prairie grasslands park be designated in order to give us the completely-rounded system which we all desire in Canada.

Mr. Deputy Speaker: Order, please. It being six o'clock I do now leave the chair, to resume the same at 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[Translation]

CANADIAN NATIONAL RAILWAYS AND AIR CANADA**PROVISION FOR CAPITAL EXPENDITURES AND GUARANTEEING OF SECURITIES AND DEBENTURES**

The House resumed consideration of the motion of Mr. Turner (Ottawa-Carleton) that Bill C-4, to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from January 1, 1971, to June 30, 1972, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Godin: Mr. Speaker, before recess, I was expressing the wish of numerous pensioners of the Canadian National who would like to see their pension increased. I was just going to quote figures to prove that this is possible, since by the end of 1968, the pension fund of the CN was close to \$1.5 billion.

From 1952, the number of CN employees went from 121,000 down to 84,000, a decrease of 35 per cent.

On the other hand, from 1959 to 1968, the number of contributors to the pension fund jumped from 50 to 73 per cent, and I think that the day is not far when it will strike 100 per cent. During the same period, from 1952 to 1968, the reserve capital has gone up by 700 per cent.

According to the financial report, again for 1968, without taking into account the \$41 million contribution of railways to the pension fund, the amount contributed by the employees, in addition to the interest on investments, was \$65,880,597. Pensions paid during the year amounted to \$46 million. Had those pensions been raised by 25 per cent, there would still remain \$8 million to add to the reserve capital.

[Mr. Sulatycky.]

It is also found that if current regulations are maintained, contributions to the pension fund will have increased by 50 to 55 per cent in 1980.

I do not advocate a direct boost of 25 per cent. However, so as to eliminate any discrimination, current regulations should be examined. To this effect, CN employees made a complete study and even came to Ottawa to make recommendations to CN authorities. Some of these recommendations are found in Issue No. 29 of June 2, 1970 of the Standing Committee on Transport and Communications under the chairmanship of the member for LaSalle (Mr. Lessard) and I quote:

Recommend the immediate decking or stacking of the CN pensions with the Canada Pension, rather than the present integrated arrangement.

Remove penalty for early voluntary retirement after the age of 55 years, where the age and service add to 85 or more as at present.

All existing and future C.N. pensions to be increased in accordance with existing cost of living index and an escalator clause to be inserted in agreements to cover.

Increase the basic pension under Part I from the minimum of \$300 annually. Increase to be in accordance with the cost of living index applicable as from 1949.

Recommended that the survivor benefits paid to widows or dependents of pensioners be increased from the present 50 per cent to the full amount of the pension formerly paid.

That the present pension board, which now consists of four representatives for the company, and three representatives for the employees, (now held by union executives), be increased to four representatives each for the company and for the employees, plus one independent member, preferably an actuary. That the capital reserve of the C.N. pension fund be pegged at a set amount and be reviewed every three years when any recommended revisions necessary may be implemented.

Mr. Speaker, my suggestions can be summed up in three points. First, more security through better maintenance of railroad tracks by reducing the distances a given group of men has to cover. Second, a new method of financing which in fact would allow right off the bat savings of \$75 million a year. Third, since there was enough in the pension fund for this tampering to be allowed to go on, let us put an end to that practice and let us see to it that our pensioners are treated with all the respect due to those people who devoted their lives to a Crown company.

• (2010)

In brief, Mr. Speaker, the government, the CNR, the employees and the public will all benefit from it.

[English]

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I do not want to take up too much of the time of the House, but having been a member of the transport committee and having enjoyed my relationship with it and with the people I was fortunate to meet in the Canadian National, Canadian Pacific, Air Canada and elsewhere in the transport industry throughout Canada, I do not want to let this occasion pass without participating in the debate.

I notice that when we enter this annual debate with respect to Canadian National Railways, the chamber retains mainly those members who are from the far reaches of Canada and who are interested in transportation problems. Those who are from the centre of Canada,