

were right to complain. I think, Mr. Chairman, that the whole problem of our public transportation system is due to poor financing by the government.

I do not think it is too late to solve this problem even though we paid, in interests only, during the last 25 years almost the present amount of the debt. In the last 25 years, we paid, according to the report presented to us, an amount of \$1,275,499,000 in interests. If the Canadian National had been financed according to the method advocated by the Ralliement Cr ditiste, the debt would be almost paid up. The government would not have to come back every year, as I said earlier, with resolutions as the one now before us. I think that the government should seriously consider other methods of finding a solution to this problem.

[English]

Mr. Lundrigan: Mr. Chairman, without saying another word it is quite obvious what the sentiments of the committee are as to the adoption of the resolution. This resolution relates to the financing of the Canadian National Railway, and reads in part:

That it is expedient to introduce a measure to authorize the Canadian National Railway to make capital expenditures including investment in securities of affiliated companies in the calendar year 1968 not exceeding in the aggregate \$264,400,000—

And it goes on to refer to more millions of dollars, and more millions of dollars.

It is my understanding that this annual resolution is not usually debated. I issue notice right now that, from this time on, until there is rectification of the present injustice in relation to an eastern railway, we will see plenty of debate on anything which comes before the house that relates to the C.N.R. in any way, or indeed to the whole area of transport. We are all aware that we need hundreds of millions of dollars to keep the C.N.R. going. Therefore parliament needs to give consent. Through the Department of Transport we have allocated quite a bit of money to keep Jack Pickersgill and the boys alive. We understand they are experiencing great difficulty.

• (3:50 p.m.)

I think Mr. Jack Pickersgill might be able to get through this winter on the \$40,000, or perhaps that figure has increased. I rise on this resolution because I think we have an oxymoronic situation. I see that the hon. member for Gamelin is leaving when I make this statement. It is not a nasty word: The

Canadian National Railways

emphasis is not on "moronic"; it is on the fact that it is a great contradiction that we are debating here today. This is a resolution which means that the Canadian government will have to appropriate several hundred million dollars for the operation of the Canadian National Railways. We are here today with the knowledge that the C.N.R. experienced a deficit of \$35.9 million in 1967. We are here today with the awareness that one of the provinces of Canada is to lose its railway, the cost of which, even with all the padding referred to by the hon. member for Grand Falls-White Bay-Labrador, are less than \$1 million. To me this seems to be a very contradictory situation. With this kind of logic, God knows we are for hard years ahead in the Canadian economy as a whole.

Not too many weeks ago, in supporting a question asked by the hon. member for St. John's East, I posed a question to the Minister of Transport asking him why we were going to lose our railway. I asked why the rail service was not being abandoned in British Columbia, Ontario, Nova Scotia, or in any other province of Canada. As has been reported already today, the minister said that he was very sorry about what was happening. The reason for the abandonment, he explained, was the increased cost of transportation by rail. I then asked him when we would get plans from the Canadian Transport Commission, to be ratified by the Canadian government, for the abandonment of rail passenger service throughout the whole of the country. In Newfoundland last year, even with the padding, we experienced a deficit of less than \$1 million and in Canada the deficit was \$35.9 million. Using this logic, there is absolutely no place in the Canadian nation for the Canadian National Railways services.

It is not an argument but rather a logical question to ask why the Canadian National Railways should not be abandoned right across Canada. Naturally we do not subscribe to this kind of thinking. I do not believe any hon. members would subscribe to this kind of thinking, because we know there is a need for this great service across the country. When we specify service, I think the Postmaster General is aware that by the very nature of the term there is an implication that it will cost the Canadian taxpayers some money.

There have been two significant developments in the field of transportation and communications in the last two years. I have in mind the abandonment of the Canadian