

*CNR and Air Canada*

necessary changes in the operations of the Canadian National Railways is concerned, this debate is an exercise in futility, I feel I cannot pass up the opportunity to place on the record some of the many important changes which should be made in order that the Canadian National Railways may better serve the purpose for which it was established. Year after year, we find this railway appropriations bill before us. Year after year, members stand in their places and make recommendations on how the railway's operations could be improved, and year after year the government pays absolutely no attention to those representations.

There was a time when this railway did serve the people of Canada well. There was a time when it served the purpose for which it was originally intended, but I am afraid that situation has passed, and today the railway is definitely not performing the function which it was established to perform. I lay the major portion of the blame for this failure to perform its proper function, on the Canadian Transport Commission. It is the duty of the Canadian Transport Commission to see that the railway functions properly. One of the reasons that Commission was set up was to see that the railway provided the services which it was originally intended it should provide when it was first built across Canada.

Quite obviously the Commission is overlooking the basic premise that communications are the key to economic development. I suggest that economic development cannot take place unless we have good communications. We cannot have satisfactory economic development without a proper transportation service. Industries will not establish in an area where transportation is inadequate. They can hardly be blamed for that because an industry must be able to get its product to market at a minimum of expense, and a minimum of inconvenience. This basic fact was recognized as far back as 1961 by the MacPherson Royal Commission. That Commission was set up to study the whole subject of transportation. I think it important to place some of its recommendations on the record in order to indicate that the Canadian National is not now carrying out the recommendations made at that time.

The report of the MacPherson Royal Commission on Transport at page 72, volume I, reads:

Locational and resource disadvantages are well known in Canada. Remedies for overcoming them have been built into national policy. Transportation has been used as one instrument for mitigating locational disadvantage . . . Locational disadvantages can still be ameliorated by national transportation policies.

The Commission pointed out that the railways retain a real economic advantage with respect to many essential traffic movements and that they will remain, for some time to come, the backbone of the transportation system in Canada. The Canadian Transport Commission unfortunately fails to recognize this fact.

The Commission report continued:

It is also apparent that each of the different modes of transport comprising this system—rail, road, water, air and pipe line—makes its own unique and necessary contribution to the functioning of the whole. There is a need for all, and there is room for all. We have reached, in other words, the era of competitive co-existence in transportation in Canada and it is the task of the public, and of the industry itself, to ensure that present and future policy is formulated in the light of this development.

[Mr. McQuaid.]

We should note the Commission's observation that transportation has been used to mitigate locational disadvantages, and that such disadvantages can still be ameliorated by national transportation policies. It is too bad that the Canadian Transport Commission is not guided by that observation. Had it been guided by it, we would not have seen literally hundreds of railway stations close down throughout the length and breadth of the country, with the accompanying loss of jobs, and accompanying inconvenience to employees who had to move themselves and their families to other parts of Canada.

Railway passenger service is in a sad state. It has been drastically curtailed, and in some provinces, such as my own, it has been completely eliminated. When you curtail or eliminate passenger service you eliminate the ability of the public to choose among different modes of transportation. I realize that air transportation is speedy. In many cases it is convenient, but we must realize that not everybody chooses to travel by air. Not everybody likes to travel by air. The services of the railway should have been retained for those people who want to travel by that method. Indeed, that is the prime reason that this railway was constructed in this country, and I think it is nothing less than criminal to allow the Canadian National Railways to discontinue passenger service in some parts of Canada.

• (1510)

The elimination of railway passenger service naturally increases the use of the automobile as a means of transportation, and we have now reached the point where it is becoming a menace because of the pollution disseminated and the traffic congestion. If railway service had been maintained, and those people who prefer to travel by rail given the opportunity to do so, we would not be suffering from pollution and traffic congestion to the degree that we do today. There is another important point, Mr. Speaker. In many cases our road systems are not adequate to handle the increasing volume of traffic.

The excuse offered by the Canadian Transport Commission and the government for eliminating or cutting down the railway service is that it was not making money. Mr. Speaker, I suggest that profit-making should not be the sole criteria. Essential public services must be provided to the people of Canada whether or not they are profitable. We have innumerable examples of public services which are not operating at a profit and, to my mind, there is no excuse for the government or the CTC eliminating railway services simply because they are operated at a loss. Railways were built to provide service to Canadian people, not necessarily to make money for the government. If they can be operated at a profit, that is fine, but the fact they can not is not a reasonable excuse for eliminating them.

Within the last week the railway announced plans to increase sleeping car fares on passenger trains by 5 per cent to 9 per cent. The increase is to become effective on June 1 this year, and apparently is the result of a directive from the Canadian Transport Commission that sleeping and dining car services must be self-supporting. Mr. Speaker, I by no means agree that these services must be self-supporting. They are a public service and as I have