

that I have made previously and which make up a file of claims a number of which have yet to be resolved satisfactorily by the Canadian National Railways.

I appeal to the common sense of the CNR authorities to deal in a more open frame of mind with the representatives of the people. I urge them to trust us more than they did in the past. While I am ready on my part, to co-operate, to pace up and down, as they say, would the CNR authorities be content to sit back behind the legislative wall that created it?

Criticism has its merits, Mr. Speaker, but it is understood that I am not here to praise the CNR. I stand when I have something to say, and that is what I had to say about this railway company.

However, I would not want to return to my seat before quoting from the last number of *Tip & Topics*, a publication of the Atlantic Provinces Transportation Commission. I quote in English a brief passage which follows an additional grant for the transportation of goods from the Atlantic region to western Canada, up to Lévis. The quotation is as follows:

[English]

The Atlantic Provinces Transportation Commission welcomes this additional assistance as a very positive step to improve the competitive position of Atlantic manufacturers and producers in the markets of Canada west of the Atlantic region.

[Translation]

This is good, this is certainly encouraging for the government and appreciated by the citizens of the Atlantic region. Finally I should like to join my congratulations to those expressed in the news report and thank the hon. Minister of Transport (Mr. Marchand) specially for the prompt attention he gave to the problems of the Atlantic region.

[English]

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, I suppose that every constituency represented by members of this House has something which is unique to it in respect of its needs as they apply to government services. Perhaps the most significant, or at least one of the three most significant needs of Carleton-Charlotte are the transportation requirements of the area. Transportation is the lifeblood of the industry which exists there, whether it be agriculture, lumber, the fisheries or manufacturing. The products of these industries is destined for markets in the main outside the confines of the constituency. Therefore, transportation becomes perhaps the single most important item for the economic prosperity of the area.

The railway company as it is presently serving the area leaves a great deal to be desired. There is no question that the subsidies which were mentioned by the hon. member for Madawaska-Victoria (Mr. Corbin) are of help. The principle of subsidies for the railways of this nation has been substantiated in virtually every area of Canada. I do not think members of the House or members of this nation should consider that the Atlantic area is the only one which requires subsidies. It was with this in mind, and because of conversations I have over the years, that I placed on the order paper some questions with respect to the assistance given by the Government of Canada to the transportation system of this nation.

Canadian National Railways and Air Canada

● (2150)

The information did not come to me in the fashion in which I asked for it, nevertheless it presented a picture which gave some detail although not sufficient. It showed that in 1970-71 assistance under the Maritime Freight Rates Act for the Atlantic region amounted to \$16,800,000, in round figures, in 1971-72 to \$20,049,000, and in 1972-73 to \$20,573,000.

The information also showed that grants for various branch lines in 1970 amounted to \$10,800,000, in 1971 to \$22,900,000, and in 1972 to \$22,800,000. These went to the Prairies area. I am not critical of any grants which might be paid to any area of Canada, but on occasion people have said to me, "You have the Maritime Freight Rates Act which gives you assistance from the Government of Canada which other areas do not get." What I want to make abundantly clear to the House is that up to July 31, 1973, assistance to various regions of Canada, outside the provisions of the Maritime Freight Rates Act, amounted to \$105,829,000 from the federal treasury. So let us not delude ourselves into thinking that it is a unique situation in the Atlantic area so far as subsidies are concerned. It is a totally national situation.

Since land, sea and air facets of transportation are so vital to my area, I tried to get information pertaining to the costs and the programs of government. To give an example, I put a question on the order paper asking for the profitability of the railroads, according to their statements, on a provincial or zone arrangement. The answer was to the effect that neither the CPR or CNR kept regional, provincial or zone statements of profit and loss. This immediately presented me with a problem and a question. How can a government pay a subsidy to any part of the railroad structure in this country if that railroad does not produce figures of profit and loss as they relate to the area concerned for which the subsidy is paid? In our Department of Transport do we have a group of blank cheques which we sign on request from the railroads?

Is this the way it is done? It certainly cannot be based on any picture of profit and loss because that is not available from the CPR and the CNR. My question to the Minister of Transport (Mr. Marchand) at this moment in time is: How do you define a need for a subsidy in any area? How do you justify payment of a subsidy if the railroads do not have their profit and loss figures broken down? The Department of Transport says these figures are not broken down. This puts the Minister of Transport and those agencies responsible to him in a virtually incredible position, and makes him responsible for wanton expenditures without justification by statistical data.

Of course, periodically we do have the ultimatum from our rail system to this effect: If we do not get more subsidies we will raise the rates on manufactured goods going to the prairies. In that case, do we just knuckle under and pay? According to the answer I got, that could be the case. The idiosyncrasies of the rail structure are acting to the detriment of the public of Canada. It is the responsibility of the Minister of Transport to sort this out.

I had the responsibility and the privilege to be a member of a committee in the province of New Brunswick which dealt with railroads and transportation for Canadians. There was no way we would get facts and figures from the