

Railway Act

—but admits that major relocations could become necessary if CN Marine becomes an independent corporation next year as expected.

And lo and behold, CN Marine has become a separate corporation as of January 1. So old John's assertion was completely right. After that, the article goes on to say:

—there are no immediate plans to move people out of Newfoundland.

No, there certainly weren't. Five minutes after I made my statement their immediate plans were dropped. Mr. Wes Kelly, the public affairs director of CN Marine, said a more centralized structure had been thought about which would "probably lead to relocation from Newfoundland" and that it was being re-examined. That is the kind of weasel-wording, chicanery and duplicity we are dealing with in Newfoundland, Mr. Speaker. If I had not pulled that one out of the basket on them in July, 1977, they would already have relocated their computer and payroll services personnel.

Upward of 60 employees could be affected by the decision to centralize operations. But there hasn't been any final decision on the matter as yet. Mr. Speaker, we are not going to let them centralize. They are working out of Newfoundland and we are going to keep them working out of Newfoundland. We have had enough of this. We are not going to allow them out on the airplanes or across the Gulf. To hell with the computers which are over in Moncton or Halifax or here in Ottawa! We are not going to sacrifice Newfoundland to the cost-effectiveness of the CN's computers or of the Minister of Transport's computers.

Here is another clipping dated April, 1977, which says, "CN Withdraws Lay-Off Notices". It concerns the lay-off of several people from the CN Express. We can see what is going on. There is no CN Express left in Newfoundland at all. There is no CN freight service on the island, either. The service has been barbarized by the company's efforts to cut back while trying to make money. The federal government has been on the backs of management telling them they are costing too much. There has been a squeeze in every direction. The rates are too high and the service is too poor.

Naturally a man will put his freight on a truck if it is going to take him 12 to 14 hours to truck it from Port-aux-Basques to St. John's instead of two or three days by rail—if it ever gets there at all. It is their way of discouraging him from using the rail. Of course he will use the truck under those circumstances. So, Mr. Speaker, we have seen the services go down and down. They have done the same thing to the telegraph service. But I must say there has been one improvement. We are getting into French more down in Newfoundland. I had a telegram last week from Jean Pigott. I was holding my nomination meeting that night and she was supposed to speak. She could not get down so she sent me a telegram with her good wishes and signed it Jean Pigott. The man rang me up to deliver the message—

The Acting Speaker (Mr. Turner): I am sorry to interrupt the hon. member but he can continue only with unanimous consent. His time has expired. Is there unanimous consent?

Some hon. Members: Agreed.

[Mr. Crosbie.]

Mr. Crosbie: I will only take one more minute, Mr. Speaker. In summation I will tell hon. members that the operator told me that there was a telegram for me from John Piquette. So, we are getting much more bilingual in Newfoundland.

In conclusion, I want to say again I am not against the \$808 million being removed from the back of CN. I wanted to take the opportunity of outlining some of the problems we face with the service in Newfoundland, not caused by CN but caused by the policies adopted by the government. I would advise the minister that he should approach the solution to these problems and consider the royal commission's report very carefully because we are on a short fuse down in Newfoundland and, as I said last night half-facetiously, if I could I would keep this bill before the House for the next five months until the minister agreed to do something about rail service in Newfoundland, the service which was so casually taken away back in 1965. I ask him, also, when doing his accounting with respect to CN after the bill passes the House, as it doubtless will, to forget the interest on the \$100 million he is proposing to charge CN with respect to Newfoundland, because it will help reduce our losses.

I thank hon. members for allowing me the extra minutes on my time and I advise the minister to be very careful during the next few months.

Some hon. Members: Hear, hear!

Mr. Maurice Harquail (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, I am pleased as a member of the transport committee to speak in support of the provisions in Bill C-17, to amend the capital structure of CN by establishing a viable debt/equity ratio which would place CNR on a financial self-sustaining basis without the necessity for government borrowing. This would also provide for the government and the public a better opportunity to assess the economic performance of the CN.

Before I go further I think it only fair to all Canadians, especially those who follow parliament and read *Hansard*, to refer to the irresponsible contribution which was made here this afternoon by the hon. member for St. John's West (Mr. Crosbie). Surely the Canadians who witnessed this irresponsible performance on television realize that we on this side of the House take our responsibilities seriously, as shown by the dynamic administration of CNR. Dr. Bandeen indicated in a press statement today a positive forecast of profits in the years to come.

• (1652)

Hon. members opposite are negligent in not mentioning the positive performance of Air Canada and other Crown corporations. They refrain from telling Canadians what has really been happening in the field of transportation in recent years. The president and board of directors of Air Canada have brought a profit picture to the government and to all Canadians, and so has CNR. However, this afternoon we heard practically everything, save a few comments in the intervention of the hon. member for St. John's West, but comments relat-