

Mr. Danzker, that the transportation of passengers by the railroad on railroad cars is an essential function of the railway in the same way, let us say, that the movement of grain is an essential function.

Mr. DANZKER: I am of the opinion that it is an essential part because not only those areas that you may have stopped at and visited, but far beyond those, badly need those services, and they have used them continually, as evidenced by the figures that have been submitted to you this morning.

Mr. REID: Since you have re-negotiated your original contract with the CPR why should you have any objection to the CPR attempting to re-negotiate its agreement to transport goods at less than cost, for example, passengers? In other words, I am suggesting that what the city has done with respect to CPR tax concessions the CPR is perhaps trying to do to the West with respect to its obligations, if there is one to transport passengers.

● (3.45 p.m.)

Mr. DANZKER: It is our contention that when the CPR first came into operation it came under a very definite type of commitment, or a definite understanding to service the area. In my opinion these conditions still continue, as they did previously, concerning the matter of compensation with respect to the hotel.

Mr. REID: The point I am trying to get at is that there seems to be a gap between what you have done with respect to the hotel and the CPR's concessions and what you are arguing here with respect to passenger service. I will leave it at that, Mr. Chairman.

Mr. SHERMAN: Alderman Danzker, I would like to add my voice to that of Mr. Pascoe in congratulating you on this brief which, taken in conjunction with the brief which we received this morning from the Province of Manitoba, will equip us very effectively for our next encounter with CPR management in these hearings.

I take it from the final paragraph of your brief, Sir, that you regard the tourist industry in this part of the country as being a vital and important industry that will be seriously inhibited and seriously curtailed as a result of any curtailment in rail passenger service?

Mr. DANZKER: Yes.

Mr. SHERMAN: Would this be related, in your mind, specifically to the centennial year and the Pan-American Games of 1967, or do you see this as a permanent situation, an industry that would be permanently affected unfavourably by any curtailment of rail service?

Mr. DANZKER: Well, it is particularly regrettable at this time with the centennial year and the Pan-American Games. On the other hand, I rather directed my remarks to the far-reaching effects rather than to the immediate results.

Mr. SHERMAN: You suggest one practical solution, as you put it, and it is an interesting and unique one to my knowledge in so far as our hearings up to this point are concerned. There is one point in it about which I am not quite clear though. You say that Canada should require the CPR to restore the "Dominion"