

EVIDENCE

THURSDAY, March 1, 1962.

The CHAIRMAN: Gentlemen, I see a quorum.

Something new has been added to our committee. We have a lady with us. Miss Ballantine is our new committee clerk. I will ask Miss Ballantine to read the order of reference.

The COMMITTEE CLERK: Order of reference dated February 23, 1962:— That Bill C-67, an act to authorize the construction and operation on behalf of Her Majesty of a line of railway in the province of Quebec between Matane and Ste. Anne des Monts be referred to the standing committee on railways, canals & telegraph lines.

On Clause 1.—*Construction and operation of railway line.*

The CHAIRMAN: I will ask the Hon. Mr. Balcer, Minister of Transport, to explain the purpose of the bill and introduce the persons we have with us from the railway company.

Hon. LEON BALCER (*Minister of Transport*): Thank you very much, Mr. Chairman and gentlemen.

The committee is meeting today to consider Bill C-67 which provides for construction of a line of railway in the province of Quebec between Matane and Ste Anne des Monts. Under this bill, authority is being sought to enable the Canadian National Railways, as agent of the government to build, maintain and operate this branch line which would connect with the Canadian National network at Mont Joli, Quebec, by means of the Canada and Gulf Terminal Railway.

Bill C-67 provides for the construction of a new branch line approximately 57 miles in length which would run from Matane in an easterly direction through Petite Matane, Ste. Felicite, Grosses Roches, Mechins, Capucins, Cap Chat, crossing the Cap Chat and Ste. Anne rivers and ending at Ste. Anne des Monts. The cost to construct this railway line is provisionally estimated at \$14 million.

In view of the fact that this is a development project, a railway for the economic development of natural resources in an area which has hitherto lacked rail transport, it is proposed that the Canadian National Railways will build, maintain and operate the line on behalf of the government and any surplus or deficit from the operation of the line will be for the government's account. The details of the responsibilities and obligations of the Canadian National as the agent of the government would be covered by an agreement between the railway and the government.

Among those familiar with the economy of the lower St. Lawrence region there is general agreement that the lack of railway facilities in the peninsula has so far been an obstacle to development of an area that has traditionally been deprived of ready access to markets. The economic future of the lower St. Lawrence region and more specifically of the Gaspé peninsula is, therefore, directly related to the improvement in its means of transportation. The government appreciates this problem and has decided to do something towards its solution. In fact, the present Bill C-67 is one of a number of measures already taken or in process of implementation in the fields of harbour improvements, and improved ferry services of the "roll on roll off" type across the lower St. Lawrence.