## January 16, 1967

However, one thing I do know is that no minister of finance worth his salt would ever agree to pay money to the railways if they were demonstrably inefficient. We must remember that every one of these payments to the railways recommended in this bill is to come out of the treasury of the government of the day, which will have to raise taxes in order to make the payments, just in the same way as we now have to raise taxes to pay these huge subsidies. Therefore the government and the minister of finance will have the strongest reasons for seeing that these payments are made only if they have to be made.

• (9:40 p.m.)

The hon. member for Qu'Appelle told the committee this afternoon about how much he had done to get the railways and others engaged in moving wheat to move it more efficiently. In the same way, all the time we are putting pressure on the railways, the elevator companies and the ports and everybody else. Today we are moving quantities of grain, as every hon. member knows, which two years ago we would not have believed possible to move through our ports. We are trying to modernize them in every possible way. That will not be stopped. No government will allow that to be stopped, and the members from western Canada would not allow any government to allow it to be stopped. I am not impressed by the idea that the railways will be allowed to be sloppy, to drag their heels to prove they are losing money. That will not happen.

I do not think any one of us knows for sure what the result of this study will be. That is why it seemed right and proper, in the light of the MacPherson recommendation, to make the study. It would have been wrong—that is why I changed my mind—to accept the position of the MacPherson commission, that there is loss. That is why I would not recommend such a bill to parliament this year. That is the position of the government. It is not reasonable to say that just because we believe the rates are compensatory we should not find out the facts.

Mr. Korchinski: After listening to the Minister of Transport for the last week or so, honestly believing he wanted to do some good with his transport bill, I find his conclusions hard to accept. He says that the MacPherson commission said that compensation might be necessary. In his conclusion he says, "We do not really think that such a thing will follow, as a result of this section."

## Transportation

What is this section for? Let us face it, Mr. Chairman: It is for the advantage of the railways, and nobody else. It is not for the benefit of the farm organizations. Nobody presenting a brief to the transport commission has ever suggested that the Crowsnest pass rate should be tampered with. That rate is statutory and should not be tampered with. What are statutes for? The British North America Act is not to be tampered with lightly. You may touch it, yes, but you cannot do much.

You are not saying that suddenly, as a result of a study, the Crowsnest pass agreement must be thrown out, that the original agreement, the original intent is not valid, is not useful, does not accomplish what it set out to do? Does any section of this act say that there must be other compensation for what the railways have been given? There is nothing like that in the bill. This is a one-sided agreement, an agreement benefiting the railways. I might say, even, that it is for the benefit of the Canadian Pacific, although I believe phases of it are solely and wholly for the benefit of the Canadian National. I think the president must have said to the minister, "Look here, we have a situation that needs looking after."

I do not suppose the Canadian Pacific was even considered. They would not think for a moment of reopening the whole question, going back a hundred years, or as long as is necessary, on the question of what they have got in the past, and the revenues they get today from the crown property they received. Will they let you determine the amount of money they are getting for moving grain?

What money are they getting for grain movements? After reading the section, nobody will know whether the rates are compensatory, whether the rates to be paid to the railways will take into account the operation of the railways, the capitalization of a particular branch, the over-all operation of the entire system, or whether the rates apply to certain portions of operations.

Nobody argues that certain portions of railway operations will not pay for themselves. That is what we have discussed for the last two weeks—for the last two years for that matter. Nobody denies that certain railway operations do not pay for themselves.

I remind the minister that the Crowsnest pass agreement was the Magna Carta that built up the west and built up Canada. It tied to us that part of Canada which might have gone to the United States. The railway bound us together, and let us not forget this. Let not the parliamentary secretary grin, as though he