

Further, Bill C-120 suggests that the Canadian National-Canadian Pacific Act be repealed. As you know, this Act as amended in 1939 contains a schedule which sets out in detail the manner in which employees were to be compensated, both in cases of change of residence and loss of employment when either circumstance resulted from the application of the Act.

We insist that the Government has a moral obligation to accept full responsibility for the adverse circumstances that the changes to the Railway Act will bring about.

We have no hesitation in recommending that the schedule referred to be incorporated into the Railway Act so as to fulfil this moral obligation insofar as railway employees are concerned.

You will appreciate that our major interest and concern is for those whom we have the honour and the privilege to represent. However, we feel we would be remiss in our duty as citizens of Canada if we did not make the following observations—

Bill C-120 insofar as abandonment of uneconomic branch lines is concerned, establishes positive financial assistance to the Railways. However, it appears to offer no more than a postponement of inevitable economic ruin to the communities that will be adversely affected. We are of the opinion that there should be research conducted in order to determine how much social capital has been invested by the three levels of Government in those communities that will be affected. A study is required so as to determine what the social and economic implications will be. We suspect that the cost to Canada may well be in excess of the savings that the Bill is seeking to effect. Both the C.P.R. and the C.N.R. operate at a current annual profit and the provisions of Bill C-120 guarantee perpetuity of the profit system for the Railways. On the other hand, aside from contemplating an orderly disappearance of communities, there is no provision for financial assistance to the people of those communities.

Government policy, based on sound judgment or not, was responsible for the Railways being where they are and a debt is owing to all those persons who followed the railway construction and established the towns with all their social amenities.

Bill C-120 seeks to subsidize the Railways for losses growing out of the operation of passenger service. Recently, the C.N.R. has entered into competitive philosophy for a share of passenger service. Indeed, the advertising, reduced fares, the improvement of schedules and the use of modern equipment resulted in both Railways being offered more traffic than they could accommodate. We are fearful that the contemplated subsidies may have the effect of creating a situation whereby the railway companies will again back away from true competition for passengers.

The McPherson Commission recommended the formation of a National Advisory Council and a Transportation Statistics Committee.

The establishment of such a Council and Committee should be prior to any attempt to legislate on a piecemeal basis for railways alone.

The establishment of the above-mentioned Committees would assist the Government in formulating a national transportation policy. Legislation could then be introduced to implement a policy that would serve the best interests of all Canadians.

We would respectfully submit that Section 182 should read in full as follows:

The company shall not, at any time, make any change, alteration or deviation in the railway, or any portion thereof, until the provisions-