

The Budget—Mr. Howe

Saskatchewan, Manitoba and Ontario were also represented. In other words, this is an issue which concerns not only the small towns and municipalities; it has implications which will affect provincial governments, municipal governments and a great many people throughout this nation. So, I feel it is of the utmost importance that further consideration be given to this matter.

That was not the first such hearing to take place. The first one took place last year in Newfoundland. I should like to congratulate the members sitting in this House who represent the people of Newfoundland for the tremendous opposition they put forward in connection with the application of the Canadian National Railways to take away from them a railroad that had become traditional in their history. The fact, however, is that they were not successful.

At this second hearing, I indicated to the members of the commission who were present that the decisions they would make concerning the reduction or removal of passenger service in what we call the Bruce Peninsula area may become the yardstick to be used all across this nation. Another thing about that hearing that was frustrating to me, and to everyone who participated, was that it became evident this particular piece of legislation did not allow anybody at a hearing of that type to question the Canadian National Railways about their expenditures or their method of arriving at a decision that a certain line had created a deficit. I do not think that is fair or just. I think at such a hearing this information should be made available to everybody. That, however, is not the situation.

We were told that this question had been looked into by the Canadian Transport Commission. What information was given to us? The cost was divided into four categories. The first was headed, superintendence expense. What could be put under such a heading? How can anyone understand what is meant by superintendence expense in respect of the cost of running a railroad? The second item was traffic expense, with very little information concerning the cost of operating the line and keeping it open. This did not include information concerning the cost of operating the freight trains that were there all the time and how much additional the cost would be to keep the passenger trains on the rails. The third item was general expense. No details were given except that the category was broken down into various figures such as

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\$37,000, \$47,000 and \$10,000. There were no details concerning how those figures were arrived at. This is what this piece of legislation has done.

The people who appeared at that hearing had hoped to find out how the railways lost the \$480,000 they said they had lost, but no adequate information was produced. Therefore, one can understand the frustration on the part of the people who attended that hearing. We felt that it was an exercise in frustration. This is the reason I bring this matter up in the House. After all, this is the place where such matters should be aired, where opinions should be expressed and where there should be some hope that a decision would be made.

Both the Canadian National Railways and the Canadian Pacific Railway made presentations at this hearing. The CPR wished to abandon a line between Owen Sound and Toronto and the CNR wished to abandon a line between Owen Sound and Guelph. Both presentations contained the following sentence:

The service provided by CP Rail and the competing bus operators should have no difficulty in absorbing CN's passenger traffic.

Then again, this sentence appears in both presentations:

The passenger handlings on these trains are light and the growth potential of the travel market in this area appears limited.

The representatives of the Canadian National Railways and the Canadian Pacific Railway who were at that hearing indicated on questioning that they had never taken a survey of the potential of that area. Here we have an area which contains the Douglas Point project. This project to develop heavy water will bring in 3,000 workers with a potential of an extra 10,000 people.

Representatives of the Mid-Western Development Association attended the hearing. This association knows what is going on in the area. These representatives said that representatives of neither railway had come to them to discuss the potential in that area and the necessity to continue the railway service. So, while the railways were represented at a hearing which costs this nation a good deal of money, they did not produce sufficient figures to present their case properly. I have had many run-ins over the years with the railways relating to rail service, mail service and so on. What is frustrating is that they seem to think they can come to a community, attend a hearing and obtain a decision which