

Committee on Railways and Shipping

because they would not be prepared to pay enough money for it. In the second place they would not be able to sell any gas or oil along the route because nobody would want to buy it. So you would have a gas pipe line without a supply and without customers. All that would be accomplished, in my estimation, would be a carrying on of the pattern established by Canadian National Railways of deficit mounting on deficit year after year.

Finally, with regard to pensions for Canadian National Railways employees, this is a subject of great importance; as a matter of fact pensions in general are a subject of great importance. These pensions have been paid for in part by the pensioners' own money. Their good money has been taken from them and has been returned to them in money that is not so good, in currency that is debased to a certain degree.

Here we have the nub of this whole question, and the government must sooner or later face up to this proposition. Inflation is destroying the basis of all fixed income in the country, and in my opinion the government must take note of that fact. What is the use of giving pensions if 20 years from now when the pensions become payable they are going to be worth only half? That is what has happened in the last 20 years, and the trend is continuing. There is no indication that this inflationary trend in our economy is being arrested. There is no indication that the government is making any serious effort to arrest it.

There is only one possible stand for the government to take, as I see it. If it is not prepared to arrest this inflationary trend then it must compensate these people for the depreciated value of their pensions. Otherwise I suggest it is not quite honest to take from an individual money with a certain value and return it to him in money of half the value.

Finally, Mr. Speaker, I would make a plea to the minister that he not be so reticent in matters concerning the Canadian National Railways unless reticence is a matter of real importance, and I am not convinced that in the past it has always been a matter of real importance.

Mr. J. H. Ferguson (Simcoe North): Mr. Speaker, you will notice that my voice is very hoarse. I was hardly able to speak, owing to a cold I caught in the barn that is used as a customs house at Halifax upon my return from Europe. I hope, however, and I am sure all of you hope that I will soon regain the full force of my voice. You must have missed listening to my eloquence in the three weeks since I have been home.

[Mr. Trainor.]

Never did I think I would live to see the day when Canadians would lose their vision and foresight to such an extent that the people of Canada as stockholders in the publicly owned railway would find themselves treated in a manner which the stockholders of the Canadian Pacific Railway would not tolerate for a moment. The stockholders of the Canadian Pacific Railway have the privilege of attending stockholders' meetings and voicing their opinions and displeasure to the management as they see fit.

We have all known the C.P.R. railway stock to go up and down. We have also known times when everyone sought eagerly to have C.P.R. stock in their portfolio of investments; it was a must. We also lived to see the day when they could not get what they paid for it, which was brought about by world-wide conditions. The stockholders of the Canadian National Railways do not have the same opportunity to voice their opinions as to whether the management is good or bad. This can only be accomplished through their spokesmen in the House of Commons of Canada, which is the voice of the Canadian people. At the moment I happen to be a member of that body which serves as the voice of the people of Canada, and I am one of those members of that body who do not entirely agree at all times that the management of the railway has been correct in its decisions.

I have known a time when the advice of competent government and outside engineers was accepted in relation to the construction of gigantic projects in Canada, and they turned out to be great flops. We know they built a canal leading out of lake Simcoe in the vicinity of Newmarket which was heralded as a great event. After they completed about one-third of this project it was discovered they were building a canal which would have required the water to run up hill in order to bring any benefit, and they finally abandoned that project.

Every new hotel that was built by the Canadian National Railways in the past was heralded as a great benefit to almost all of Canada. I can remember when they built the Minaki hotel. My father owned property around Minaki for about 50 years, for which he paid at least \$500. I know that if I offered to sell it to anyone in this house tonight for \$250 I would not get it. When the hotel at Minaki was built with every convenience, including a golf course, it was advertised throughout Canada and all over the world, but finally it was almost given away. Many other hotels were built about that time by competent, intelligent railway management.