

Canadian National Railways

to the government to take up with the C.N.R. this question of pensions paid to retired employees.

If you are satisfied, Mr. Chairman, that I am in order, I am prepared to leave the matter there in the hope that the Minister of Finance, his parliamentary secretary and others will take this matter up with the C.N.R. I still have the promise of the Minister without Portfolio, the hon. member for Winnipeg South, on this point. His last sentence in an adjournment debate on September 24, 1968, as reported in *Hansard* at page 441, was this:

I can assure the hon. member for Winnipeg North Centre that the government will continue to consult officials of the railways concerning the position of pensioners.

• (3:40 p.m.)

All the things we propose to do under this resolution are important—the business of financing the C.N.R. and Air Canada, the business of capital expansion, the business of construction. But, Mr. Chairman, so are people important. They are important not only while working for the C.N.R. but afterwards, and I think something must be done for the pension position of these people.

[Translation]

Mr. Laprise: Mr. Chairman, I should like to make a few general remarks on the resolution put before us this afternoon preceding a bill which doubtless will be passed by the house.

I shall not dwell on the operations of the Canadian National but instead I will turn to the fact that we are being asked to vote a total amount of almost half a billion dollars to finance the Canadian National Railways. I notice that this resolution comes back almost every year to provide the funds required for the operation of our railway transportation system.

Mr. Chairman, I fully agree that we need a public transportation system in Canada, but I must express my disapproval of the way in which we are financing our own transportation system. I shall not criticize this afternoon the administration of the C.N.R., because, from the report we get each year from the company, I see that on the whole it is well run since, for the past few years, or at least since 1962, the company has managed to accumulate an operational surplus. However, a careful study of these reports, shows a rather substantial deficit for each year, in spite of that surplus.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Chairman, this is due to the enormous debt of the C.N.R., which, in 1967, reached \$1,800,000,000. In fact, in spite of a surplus of \$29,200,000, the Canadian National still has a deficit of \$35,900,000 after having paid \$65,-100,000 in interest on its debt.

Mr. Chairman, I say that if Canadian National has to present us with a report showing a debit balance, this in part is not due to its operation or administration, but rather to the poor administration of the government which has not been able to finance or to set up its own railway company on a sound and profitable basis.

In the annual report of the Canadian National for 1967, we can read at page 23, just at the beginning of the comments, and I quote:

For Canadian National, as for Canada as a whole, 1967 was a year of pride in past and current achievement and of strengthened confidence in the future.

Mr. Chairman, we can be proud of that judgment concerning our railway system, but I think that we cannot be proud of the way in which it is administered and of the expenses it involves for the government.

If I look at the page concerning grants, I note that during 1967, we have paid \$63,100,000, that is the estimated cost of interest on the debt of the Canadian National Railways. This is what I am driving at, Mr. Chairman. I wish to urge the government to find another method of financing that crown corporation. By so doing, it would not be compelled each year to return with such a motion asking us to vote the necessary estimates. For example, a sum of \$75 million is mentioned to pay certain bonds; in fact, a loan is being asked to pay a debt which is due and I feel that will not settle anything.

One of the suggestions which I want to make at this stage of the consideration of the resolution is to ask the government to consider another method of financing that crown corporation which, in short, belongs to Canadians, so that it will not show a deficit on account of its financing system. I am suggesting to the government to study carefully the proposals the Ralliement Créditiste has been making in this house since 1935 and I am sure that they will give him the solution which will enable Canadians to be proud of having a transportation system which is making money and serving all of Canada. When that happens we will no longer hear complaints such as those made this afternoon by the hon. members from Newfoundland who