

*Canadian National Railways*

whole question of the poor, slowed-down railway express service we are getting these days. I realize we cannot expect to have all the things we enjoyed 10, 20 or 50 years ago but surely there is no reason in this day and age for a publicly-owned transportation company to be cutting down vital services in the transport and communications field.

There are also serious questions to be asked about the proposals of Air Canada in connection with purchase of huge new aircraft, the kind so large that Max Ferguson described one of them landing the other day somewhere between Toronto and Montreal; the passengers for Montreal got off at the front end, to find that the weather was cold, and snow was falling, while the passengers for Toronto got off at the back end, in bright, sunny weather. As I recall, he had to make a long distance call to talk to the stewardess to get her to make the appropriate announcement. Well, Max Ferguson has a way of getting the truth home to us in his humorous style and I think there is every reason to look carefully at the policy of going in for larger and larger aircraft. In particular, this development should be considered in the light of Parliament's concern about pollution; it is not enough for Air Canada simply to decide that it wants the largest and latest type of aircraft. These plans should be part of an over-all policy.

When this bill goes to the committee, as I hope it will after certain commitments have been made to us, the Canadian National and Air Canada will be required, through their officials appearing before the committee, to answer searching questions of the kind which have already been asked today and which will be added to in the course of the debate.

Last session, when a bill similar to this one was under discussion, we asked the leader of the House at that time, now the Minister of National Defence (Mr. Macdonald), for two commitments. I say to his credit, and it is always a pleasure to give credit to this minister when we can, that he met those two commitments. The first was that the question of the capital structure of the CN be referred to the committee on Transport and Communications for study. The second was that the question of Canadian National pensions be referred to that committee. As I say, those commitments were met and those two references were made. As hon. members are aware, the committee was not able to find the time to deal with the first of these references, at least, not in any depth, but spent most of its time on the pensions question. This means that the question of the capital structure of the CN is a left-over item and at some point in this session we want it to be referred again to the committee. Before the present debate is over we want a commitment from the government that such a reference will be made in order that the committee may continue its study of the capital structure of the CNR. I make the point that it is not necessary for this consideration to take place during the study of the particular bill before us, but it is necessary for us to obtain certain commitments before the occasion upon which we can do so has passed.

[Mr. Knowles (Winnipeg North Centre).]

• (2:20 p.m.)

Hon. members will not be surprised if what I have said up to this point is only preliminary to the main subject with which I wish to deal. This has to do with the question of Canadian National pensions, a matter which has been the subject of questions and discussions on the floor of this House for many years. From my own experience and knowledge, it goes back almost as long as the study of the pensions of retired civil servants. Indeed, the two matters have taken a parallel course and it has been said from one side, and admitted from the other, many times that the two issues more or less stand together. We recognized that we could not expect something to be done by a Crown corporation for its retired employees if something was not done by the government for its own retired employees. The other side of the coin is that we have reason to believe that if improvements were made in the pensions of retired public servants the same thing would have to be done, and would be done, for retired employees of the CNR.

As I say, the two questions have had a parallel history in this House. Every session's *Hansard* going back for a couple of decades or more contains questions and answers about the amount of pensions retired CNR workers are receiving, in addition to innumerable questions about when something was going to be done to correct the situation.

Finally, on December 19, 1969, almost one year ago, we had the welcome announcement by the President of the Treasury Board (Mr. Drury) that legislation would be brought in to improve the pensions of retired civil servants. Within a few weeks, that announcement was implemented and Bill C-194 of last session was passed before the end of March 1970. On the very day that announcement was made, December 19, 1969, I publicly urged that the companion operation, namely an increase in the amount of CNR pensions, be carried out without delay. This was one of those occasions when we were making statements on motions and there was no opportunity for a reply from across the floor of the House. But I am sure it is not out of line for me to say that two or three cabinet ministers told me personally that day not to worry, that of course something would be done for CNR pensions commensurate with what had been done for retired civil servants.

Fortified by that and by the fact that the present Minister of Transport (Mr. Jamieson) and those who preceded him over a number of years had assured me of their great interest in this matter, I continued to pursue it. I might point out that on September 24, 1968, the present Minister of Supply and Services (Mr. Richardson), who was then Minister without Portfolio, when speaking on behalf of the Canadian National Railways, as reported on page 441 of *Hansard* for that date said:

It is my understanding that pensioners in this category and also the pensions of all retired employees have been reviewed frequently by officials of the railway. I can assure the hon. member for Winnipeg North Centre that the government will continue to consult with officials of the railways concerning the position of pensioners.