

Railway Act

not make a buck, when they would not move in and do the job, the people of Canada did it. Now that parts of the operation have become profitable, the minister is saying: It is time to privatize the CN.

As for the private enterprisers who tried to get into the railway business, we bought them off. We made sure they did not go bankrupt. We made sure they got a return on their investment. It has taken us since 1850, and particularly since 1923, to do so. Now, I'll be damned if the Minister of Transport with the support of the hon. member for Vegreville does not want to go through the whole process again. Much of the indebtedness on the CN books is still carried over, financed and refinanced, from the original indebtedness of those private enterprise railroads. And now that we have paid and paid and paid again, we own the system. I wish we had more control over it. Now the minister wants to sell it off. Mr. Speaker, after all these years of paying and struggling and arguing, now is not the time to instruct the board of directors of the CN to make the operations of the CN purely commercial.

● (2112)

In my province of Saskatchewan, CN and CP have deserted hundreds of towns and villages so far as the provision of rail or truck services is concerned, regardless of their public responsibility and the commitments they made in the past. First they promised us better service if we would let them take off the trains and close the stations. They were going to give us better service with trucks. Then they moved all their truck agencies to only two or three locations in the province. Now they want to take away their trucks too.

We have gone through the business of making them profitable and commercial, and this has harmed Canadians. It had discriminated against Canadians because of where they happen to live. It has discriminated against small and big businessmen just because of the location of their processing plants. You cannot run a transportation system in a country like Canada on a private enterprise basis. It is the dumbest thing you can do. Ask any of your private enterprise friends and they will agree. Talk, for instance, to people in West Germany. The head of the biggest private enterprise you can find in that country would say it would be stupid. It would make even less sense to try it here.

The paper work we are doing in juggling the books for the recapitalization of CN is only on paper. We should add another \$1.5 billion.

Mr. Mazankowski: What's a billion?

Mr. Benjamin: The bill does not go far enough. The total ownership is in the hands of the people of Canada and no place else. The mandate of CNR is to provide the best, most efficient and frequent service they can provide in every part of Canada.

Some hon. Members: Hear, hear!

Mr. Benjamin: If it becomes private, it will not be able to do that. No private company can do that and survive. If you keep

[Mr. Benjamin.]

it publicly owned, as it is now, with an instruction from the Minister of Transport (Mr. Lang) and a government policy which says it must be commercially viable and profitable, then you will be preventing a publicly owned enterprise from providing a decent service to people in every part of Canada. I say that you can equate efficiency and good management with good service—and I have not heard the word "service" mentioned here tonight. Surely when an enterprise fulfils the role of a public utility, service has to be the number one priority. There will be times when the operation will lose money, but if it is providing an equitable, decent and fair service to every part of the country, then the money is well spent.

This is called co-operative federalism; it is called aiding national unity. All the people in Canada share the cost; we all treat one another the same. Surely that is the *raison d'être* of a publicly owned rail transportation system. At that point it has nothing to do with whether it is a private enterprise or a Crown corporation. Its purpose is to provide a rail transportation service to all parts of Canada. The bill before us lessens that equity across the country and, I submit, it does great harm to national unity.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I rise to join the debate with some surprise that there was no contribution from our friends a little farther down to the left. However, notwithstanding that, I feel obliged this evening to pick up the threads of the debate opened up by my colleague, the hon. member for Vegreville (Mr. Mazankowski), as well as comment on one or two points made by the previous speaker, the distinguished railroader from Saskatchewan. A little later I will deal with something a little more parochial than the national unity issue, namely CN's attitude to the freight rate structure. Then, in winding up my few remarks, I will put a very serious question to whomever on the government side will be taking part in the debate next, and it will have to do with the *quid pro quo* that the government has been able to get from Dr. Bandeen and CNR with respect to the largesse with which we are dealing now.

The observations and comments of the hon. member for Vegreville had to do with our skepticism about the position taken by CNR with respect to this bill. It is quite easy to accept on the surface the argument of Dr. Bandeen and others in CN that if we give them one more chance, if we let them operate under more modern methods of applying depreciation and accounting procedures and practices, they will do better. As the hon. member for Vegreville has pointed out, and as others who follow me will point out, again and again I hope, the argument is somewhat shallow and is perhaps not quite what this parliament or the people of Canada deserve.

I suppose that the position of CNR should be debated here in a general way. It will be discussed in great depth in committee. In any event, for a more general purpose it might be well to reiterate some of the points made by the hon. member for Vegreville and to emphasize one or two others. Any review of the CN's financial history since 1940—that is a 35 to 40 year period—would quite readily lay a primary colour against which this application to parliament and to the people