

responsible for their own interests as well as those of the population.

In recent times, three railwaymen and one foreman were responsible for the maintenance of seven miles of track. There are now only two workers for the maintenance of 20 miles of track. Naturally, it follows that tracks are less safe, derailments more frequent, thus causing thousands of dollars in losses and damages to all kinds of materials.

One can say that these are cheese-paring economies. However, as I was saying, shrewd administrators would have prevented the recent railway strike. When amounts lost in transportation revenues, salaries and taxes are considered, as well as the wages paid to employees that were moved by bus throughout the country, at a daily cost of \$28 per employee, which employees were often brought back to their starting point without getting any job or doing any work, economies would have been realized. This was going on during the work-to-rule strike that lasted about three weeks.

If we add all these unnecessary expenses made during the strike, we would be surprised to find that they would have been sufficient to pay the increase asked for during the strike. Again one can be sure that the government's billion dollar corporations cannot be administered like small private enterprises. It remains however that the administrative processes are almost always the same whether they have to do with big, average or small concerns. There must always be revenues, expenses and profits; but one must not make excessive expenses on purpose. For instance, I know that in my constituency of Rimouski, a man came all the way from Campbellton, New Brunswick—100 miles—to replace a window pane in the railway station. Ridiculous, is it not?

I was told that a car and an unlimited credit card were made available to Canadian National employees on a year-round basis, for a fixed and round sum of \$50 a month. At that rate, Mr. Speaker, nobody would buy a car in his own name. Corporations would provide cars for all their employees with expenses paid by the corporation, and everything would be added to the yearly administration costs, which would increase the cost of products as well as the annual deficit of those corporations. If that can be done for corporations financed by the Canadian government, it is impossible in private industries, be they small, average or big.

Another comment one often hears is that along the railroad tracks between Vancouver and Halifax there is material going to waste—enough to pay for the employees' salaries for many years to come.

We hear a good number of similar comments, on numerous subjects, especially on the shameless waste that goes on in the Canadian National administration. That could be the object of a royal inquiry on the general administration of that national corporation where senior employees are nevertheless pretty well paid, so that private companies could take a leaf out of the administration's book. But what happens is the opposite.

The more capital is borrowed to subsidize the company, the higher the interest and even the interest rates. The more the company expands, the deeper it gets into debt

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and standing expenses. It reminds us of a bogged down car. Every turn of the wheels sinks it deeper in the mud.

Mr. Speaker, what is the use of talking about it since the custom is established. The government makes up the losses whether the administration is good or not. That is what must be in the minds of the administrators of the big publicly financed companies where profits are not incentives to further a good and healthy administration.

● (2120)

[English]

**Mr. Walter Baker (Grenville-Carleton):** Mr. Speaker, I have sat in the House during this debate and listened with great interest to my colleagues on all sides speak of the advantages and disadvantages of the service of Canadian National Railways, of railroad problems generally, of airline problems and of the advantages that various areas of Canada enjoy or the disadvantages that they suffer. Some who spoke were concerned about the island economies of Canada which suffer a certain kind of geographic remoteness. They have indicated that this geographic remoteness is complicated by further remoteness caused by inefficient and ineffective transportation facilities which affect the growth and lifestyle of those island areas.

Members from other parts of Canada, notably the west, have spoken of the abandonment of rail lines and the feelings of isolation which are generated as a result. There is isolation from the point of view of a way of life and from the point of view of the operation of businesses and farms. If we accept what members from the west have said, and I think it ought to be accepted, there are some great difficulties with railroads.

I think it is important, Mr. Speaker, that we remember that railroads did not come about by accident. They were instruments of Canadian national unity and the togetherness of the disparate areas of Canada which were separated by great distances where between points of emptiness there were pockets of people. The railroads brought those people together. It is not by accident that the largest committee room in this building is called the railway committee room. I think that is an indication of the significance of the railroads in our early life.

There is another kind of isolation that I should like to deal with, namely, the kind of isolation that we in eastern Ontario feel. This is one of the last areas of Ontario to develop industrially. I speak now from the point of view of secondary manufacturing industries which are so important to this area if we are to provide the number and the variety of jobs for the young people who grow up here. This is necessary so that fewer will leave and that we may retain their talents and skills. I believe that railroads in this part of Canada can lessen this isolation in the sense that I use the term.

I speak now of that area of eastern Ontario which I represent, and perhaps cities to the east and west and up the Ottawa Valley. As time has passed there has been a deterioration in the service that the railroads have offered with respect to freight and passengers. In this part of Ontario we have had to rely to an increasing extent upon the highways for the delivery of goods and people. As a result, the highways have become cluttered with trucks, buses and automobiles and the quality of life has been