

with one hand, to maintain sound operating procedures, while with the other, they attempt to satisfy the conflicting demands of the Board of Transport Commissioners, the railway unions and the politicians.”

Those words are all in quotes, and it is followed by this paragraph:

The things wrong with the CNR stem almost entirely from the absurd, ridiculous and impossible set of strictures with which Parliament ties the hands of the CNR management and limits its powers to manage.

The CHAIRMAN: What is your question, Mr. Broome?

Mr. BROOME: Whether it is true that the hands of management are tied in the manner outlined by this editorial and, therefore, the management of the C.N.R. have no room to maneuver in the operations of the railroad.

Mr. FISHER: That is a fair question.

Mr. GORDON: May I see it? I have not seen it, yet.

Mr. BROOME: Yes, it is right here.

Mr. GORDON: I could say this at once: I am learning,—it has taken me a long time, but I am learning—not to make quick replies to statements that are made in the course of this committee. I have not seen this statement until now, and I am sure it opens up a very, very wide series of considerations.

I presume the editorial is intended to be friendly and, therefore, I am glad to read it. It is unusual enough for me to see a friendly comment that I would like to read it, if I might.

Well, I would be glad to confirm the first statement, that I am not a dictator. I will be glad to confirm that.

—does not have the authority that normally belongs to any corporation president. He and his executive team do not run the railway. The most that they are allowed to do is to attempt, with one hand, to maintain sound operating procedures, while, with the other, they attempt to satisfy the conflicting demands of the Board of Transport Commissioners, the railway unions and the politicians.

I would read this to mean that they are referring here to the situation that belongs generally to the railway business. They are pointing out that there are severe restrictions on management of railways generally by reason of the controls that are exercised by the board of transport, railway unions and the politicians. I think that is a fair enough statement. Yes. There are very severe restrictions on management's discretion by reason of the rules of the Board of Transport Commissioners, and the general control of setting freight rates that has been exercised by the board and by the government. I think that is clear. I need not comment any further—that these rules do restrict management in the sense that they are not allowed to be flexible in meeting the competitive demands of the transportation business. But, this applies to the other railways in the country as well as the C.N.R.

The things wrong with the CNR stem almost entirely from the absurd, ridiculous and impossible set of strictures with which Parliament ties the hands of the CNR management and limits its powers to manage.

I take it this is your question?

Mr. BROOME: That is the point.

Mr. GORDON: My reply to that would be that there are no absurd, ridiculous and impossible set of strictures that apply to the C.N.R. as such, and limits its power to manage, and that the restrictions that are in play in the railway business apply with equal force to the other sections of the railway business.

Mr. BROOME: In regard to the control of freight rates?

Mr. GORDON: Yes, and other controls which are exercised by the board of transport commissioners.