

a publicly owned, financed and operated transportation and communications system.

This means for example, Mr. Speaker, a stove manufactured in Nova Scotia, laid down in Halifax, Montreal, Toronto, Regina or Vancouver will contain in its selling price the same freight charges. It is lunacy to continue to advocate industries, particularly manufacturing, for the maritimes or the prairies or rural Quebec that cannot compete with industries, manufacturing or any other kind, that have the geographic and transportation advantages of being located on the outskirts of Montreal, Toronto or Vancouver. What I am suggesting here, Mr. Speaker, is a form of equalized freight rates or subsidized rates to a greater degree than we now have, or a combination of both.

Even more important is how we are able to transport people within our nation. Surely, it betrays some kind of national schizophrenic tendency or death wish when it is made cheaper for a Canadian to fly from Montreal or Toronto to Europe than from Halifax to Vancouver or Newfoundland to British Columbia. How ridiculous, and embarrassingly so, we have to appear in our own eyes when our national air system can offer us economical excursions to the southern U.S.A. or the West Indies or Mexico, in mid-winter and yet cannot offer the same kind of cheap fares into the northern parts of six of our provinces in summer or winter, or, if they did, could not accommodate us once we got there. If one were trying to get a job, going to see a loved one, or just getting to know our country and our fellow Canadians better, whatever it might be, our transportation system would almost be a handicap.

To accomplish or even approach these goals we must first, as a nation, radically revise the National Transportation Act which perpetuates criteria that are not only outdated but have never met the requirements of the people in a northern nation as large and thinly settled as ours. To be more precise, the Transportation Act is responsible for the uncertain future of passenger service in this country and, in my opinion, it seems to have been deliberately designed to encourage the railways to get rid of their passenger trains. The railways want to abandon passenger service—they have made no bones about it—and to do so they have only to prove to the satisfaction of the Canadian Transport Commission that the service is losing money to get a ruling either that abandonment can be proceeded with, or that it cannot, in which case the government will subsidize losses to the extent of 80 per cent.

The bias in the act is clearly in favour of discontinuance. It implicitly discourages the railway from looking beyond its profit and loss statement in determining passenger policy by making it impossible to obtain a subsidy on a service without applying to abandon it. The act puts the emphasis on the strictly "economic", meaning profitability, as opposed to the broad social effects of abandonment. The Transportation Act places emphasis on profitability in our transportation systems—with service to the public and fulfilment of Canada's transportation needs receiving only minor consideration, if any at all.

Policies of successive governments in this country have been outdated, fragmented and short sighted. The major flaw in present policy and law is the continuing applica-

### *National Transportation Policy*

tion of the "free enterprise", competition and profitability criteria to the operation of our national transportation and communication systems. Mr. Speaker, I have said this before in this House and I make no apology for repeating it. Railroads, airlines, telecommunications are all essential public services and, consequently, are public utilities, yet we continue to operate a system where profitability is the over-riding consideration when arriving at the kind, quality, frequency and efficiency of our various transport systems. Railways and airlines are necessary services, which puts them in the same category as streets sidewalks, sewer and water systems, or our postal system. No one, not even a raving "free enterpriser" would suggest that sewer and water systems, or streets, sidewalks and highways should make a profit, or that there should be competition in these areas. They are essential public services, meeting basic public needs and the public is willing to pay for those services both directly and indirectly.

Attempts in recent years to get our postal system to the point where it "pays its own way", to quote a late and unlamented minister, ended in a debacle witnessed by every member of this House. But that was an excellent example of how the application of so-called "free enterprise" concepts to essential public services not only does not work, but does a disservice to our country and our people. We in the New Democratic Party believe we must have policies and laws that put service before profits in the area of transportation. We believe that since our national transportation systems are an essential public service, they should be publicly owned and operated.

It is as ridiculous to continue operating our national rail and air transportation systems with competing railways and airlines as it would be if we had two or three competing water systems under our streets, or two or three competing post office companies. With three or four exceptions, railways all over the world lose money on passenger business, or on all their operations, whether they are publicly or privately owned. But in a number of countries, notably France, where the railway is publicly owned, they have been concentrating on the upgrading of passenger services, and are being rewarded with increasing numbers of passengers. While France and many other countries subsidize their railways, their people enjoy fast, modernized, frequent passenger service at modest fares. In Canada we lose both ways, we subsidize our railroads and receive ever-decreasing service for our money.

I have received a publication, Mr. Speaker, as I trust all other hon. members have, called *France Actuelle* which is published by a private association of French businessmen. It does not come from some of the hard-nosed socialists or radicals who want to nationalize everything. In the issue of November 1, 1971, an article on the front page reads:

The French now take it for granted.

But American and other foreign visitors since the situation in their own countries seems so otherwise, almost always remark with astonishment and pleasure on France's modern railroad system and equipment, with their high speeds in safety, cleanliness, comfort, excellent moderate price meals en route and general superior service.

Further on the article reads:

The French, although born gripers, complain very much less about the service they get on their state-owned and operated ...