

It is time that, along with the hundreds of millions of dollars we vote year after year for the transportation system of Canada, we said to the railways, "Learn to serve." We should tell that system of computers, modern engines and modern cars, "Move this product on schedule for the service of Canadian citizens." Instead, this product is forced to the roads. The highways are cluttered with trucks which seem to be making money while we subsidize the rail system of this country.

It is a strange thing, but under the act all rates for the rails of Canada must be compensatory. Under certain circumstances, the government of Canada has chosen to pay a subsidy here and there. We have spent money from coast to coast in Canada on subsidies to support the rail structure of this country. I do not particularly quarrel with that, but while the Minister of Transport has no transportation policy CNR runs up one deficit after another. Under the act, every rate in Canada must be compensatory. How can this happen? It is illegal. It cannot happen. Therefore, Mr. Speaker, we do not have competition. We are not obeying the law which says rates must be compensatory. We are no longer encouraging our exporters. We are no longer capable of hauling processed products by rail. To a large extent, the rails have yielded this traffic to the highways.

We are no longer able to move apples from the Okanagan Valley eastward or southward. They have to be put on trucks and then on cars on the American railroad line to be moved. Tens of thousands of dollars were spent in each of the last three years because our system cannot get them to the border to put them on the existing United States market. The potato industry in Canada is hamstrung by rates, some of which are anomalous, some of which are non-competitive and some of which are exorbitant. We see an act ignored by the government.

We are asked to vote hundreds of millions of dollars to keep a nationally-owned railroad on the rails at the expense of the people, when that railroad does not observe the law of the land because the government does not have a transportation policy. It is a tragic day when this House, by the very nature of the bill before us, is compelled to pass that bill because the service to Canadian citizens would suffer so badly if it did not. It is high time that the transportation policy of Canada was formed. It should include the ports, airways, railways and roads of Canada. It must be made to serve this country in an economic and competitive way so that service will be the by-word of the transportation industry, not just a slang word which is talked about when they are trying to sell and forgotten about when they have sold.

● (2150)

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in discussing CN financing it seems to me we should take account of policy enunciated by the Minister of Transport (Mr. Marchand) and by the minister responsible for the administration of the Canadian Wheat Board. I do not know what the minister responsible for the Wheat Board had to do with the abandonment of a hotel in Saskatoon. Incidentally, he shares with me the responsibility of being a member for that city. I do not know how much responsibility the minister responsible for the Canadian Wheat Board, who represents half the city of Saskatoon, has for

Canadian National Railways and Air Canada

the sale by the CN for a valuable property there at much less than its assessed value.

An hon. Member: He was consulted.

Mr. Gleave: At the same time, the same minister makes commitments on behalf of the government and says what the CN or the railroads shall or shall not do for the movement of grain in Saskatchewan. So he hies himself down to the city of Estevan in southern Saskatchewan and says prairie farmers will get 4,000 more hopper cars to move grain, but they will temporarily lose the use of 1,000 grain elevators.

So apparently there is a kind of trade-off. But the joker in the pack is that the minister who is responsible for the Canadian Wheat Board had nothing to say whatsoever about how many grain elevators there are to be in western Canada or the province of Saskatchewan. I don't know if the Board of Grain Commissioners has anything to say about how many grain elevators we are to have in the province of Saskatchewan or western Canada. They appeared before the Standing Committee on Agriculture the other day. They were not even responsible for the bonding or for seeing that the farmers were paid in full for the grain they had delivered, at least in the province of Alberta.

I have real doubt whether either the Minister of Justice (Mr. Lang) or the Minister of Agriculture (Mr. Whelan) to whom the Board of Grain Commissioners is responsible know very much about what is happening in the grain business. The minister says the 4,000 cars are worth between \$100 million and \$125 million. I am quoting from a statement reported to have been made by him. He said the government was prepared to put out the money forthwith, but whether any part of that money would be repaid by the railways was not to be decided until a new grain transportation policy had been worked out.

In other words, he is going to shovel out the dough, but he has received no commitment from the railways as to how they will use these 4,000 new cars or how they are going to pay for them, or how much. Then he went on to say he would predict that short-term measures to improve grain transport would bring a speedy end to current snarls in the system. That is an excellent objective. He went on to talk about some of the lines that are blocked with snow and over which no trains are moving at the moment. He said the lines taken out of service would be mainly those obstructed by snow or wet conditions, but lines would not necessarily be brought back into service as soon as the snow or the water disappeared. What in the world is this man talking about?

Does the Minister of Transport know what he is talking about? Does the CTC know what he is talking about? Has he any commitment, anyway, to a thorough going, serviceable transportation system? Does he know? Does anybody know? The report goes on the say:

Mr. Lang emphasized that closures do not constitute a first step toward any permanent abandonment program. On the contrary, the minister said he would press the railways to ensure they upgrade more lines to bear the 63,000 pounds of a loaded hopper car.

Well, at least the minister responsible for the Wheat Board has recognized that half the trackage in western Canada will not carry hopper cars. One of the first areas of