Order Paper Questions

order to attract investors. Such a result would add to the current inflationary trends in the economy. For these reasons the government is now not considering proposing tax changes to facilitate the issuance by municipalities of tax free bonds.

GOVERNMENT EXPENDITURE ON COVERED HOPPER CARS

Question No. 347—**Mr. Gillies:**

1. (a) What has been the net government expenditure to date on the 2,000 covered hopper cars which the government provided to the railways (b) how many tons of wheat can a fully loaded car carry (c) what is the total weight of a fully loaded car (d) what are the overall dimensions of the car?

2. (a) What has been the gross expenditure by the government on these cars (b) how much has been recovered to date (c) how much will be recovered, and by what means, in the future (d) do the railways now own these cars and, if so, what did they, or will they, pay for them?

Hon. Otto E. Lang (Minister of Justice): 1. (a) $45,675,-569; (b) 100 tons; (c) 263,000 lbs.; (d) overall length 59 feet; overall height 15 feet, one inch; overall width 10 feet, eight inches; cubic capacity 4,550 cubic feet.

2. (a) $46,091,362; (b) $415,793; (c) Rental payment are received from the railways only when the cars are utilized in grain service east of Thunder Bay; (d) No. The cars are owned by the Government of Canada. The railways pay for the maintenance and repair of the cars.

HOPPER CARS

Question No. 349—**Mr. Gillies:**

1. (a) On what date were orders placed for 4,000 additional hopper cars (b) on what date are the cars to be delivered (c) how many cars have been ordered with a conventional steel design, from whom, at what cost (d) how many cars have been ordered with a new aluminium design, from whom, at what cost (e) what car orders, already on the suppliers order books, as placed by the railways, did these orders displace (f) what will the railways do for their displaced cars?

2. Were the railways consulted before these hopper car orders were placed and, if so, did the railways agree that this would be the preferred course of action?

3. (a) Will the fully loaded cars of conventional steel design be able to operate over any additional miles of off-main-line trackage than the previous cars and, if so (i) how many more miles (ii) for what reasons (b) will the fully loaded cars of the new aluminum design be able to operate over any additional miles of such trackage and, if so (i) how many more miles (ii) for what reasons (c) will the newer cars, of either or of both designs, be dimensioned so that clearance and loading problems will be fully resolved?

4. Does the government intend to recover the cost of these 4,000 cars and (a) if so, by what means and over what period of time (b) if not, will this not be a direct subsidization of prairie grain movements?

5. (a) What is the expected per cent utilization, on a car-day basis, for this fleet, by year, for the first five in-service years (b) what is the detailed basis for this expectation?

6. What arguments can be advanced which will convince the people of Canada that this government action was taken in the National interest?

7. Can other shippers expect a similar benefit on their behalf from government and, if not, for what reason?

Hon. Otto E. Lang (Minister of Justice): 1. (a) July 19, 1974; (b) Commencing last quarter 1975, terminating 2nd quarter 1977; (c) 2400, Marine Industries Ltd., Sorel—1,000 Hawker-Siddeley Canada Ltd., Trenton, Nova Scotia—1400; (d) 1600, National Steel Car Corp., Hamilton, Ontario. Final delivered prices are not available due to anticipated price escalation. Estimated total cost at date of order $128,400,000. (e) None. (f) Not applicable.

2. Yes. The car designs were jointly recommended by Canadian National and CP Rail.

3. (a) No. (b) Yes (i) CN 1775 miles; CP 3800 miles; (ii) Gross weight of car will be within limits of 220,000 track capacity; (c) Yes, except for minor elevator loading—spout modifications for top loading of car.

4. The operating agreement between the Canadian Wheat Board and the railways is not finalized covering the recently ordered 4,000 cars and is subject to policy review.

5. Utilization will depend upon the over-all level of grain movement, the degree to which train movements can be planned and the future configurations of the grain gathering system.

6. The declining number of general purpose box cars available for grain service and the lack of economic justification for railway capital expenditures required an immediate decision to be made by the Government to acquire the cars.

7. There are no plans to purchase cars for other shippers as similar financial circumstances are not involved.

EXPROPRIATION OF SMALL BUSINESS PROPERTY

Question No. 373—**Mr. Herbert:**

1. When a government department expropriates a small business property which provides the only source of income for the owner, is it prepared to recognize that the price which the owner is awarded will not set him up in business in a new and perhaps unsuitable locality, nor will it replace his building?

2. Is the government prepared to consider the plight of a person who runs a store or business dependent on local trade who is, from a practical point of view, compelled to accept the price established by the government, since it would be necessary to give up his business if he chose to fight the delays and frustrations of dealing with a bureaucracy and different agencies?

Hon. C. M. Drury (Minister of Public Works): 1. Under the New Expropriation Act (Chapter 16 RSC 1970), Section 24 of the said Act sets the rules for determining value. When the Crown expropriates a small business whereby the owner operates out of his own building, the said owner will be paid the market value which is determined as follows: (a) the market value determined on the basis that the use to which the expropriated interest was being put at the time of its taking, was its highest and best use, plus (b) the costs, expenses and losses arising out of or incidental to the owner's disturbance including moving to other premises or, if those costs cannot be estimated, an amount not to exceed 15 per cent of the market value determined in (a), plus (c) any value to the owner representing a special economic advantage to him arising out of or incidental to his occupation of the land, to the extent that no provision was made in (a) and (b) above. With regard to the relocation itself, it is the owner's responsibility to find a location where he can continue his business.

2. Under Section 14(1)(b) of the New Expropriation Act (Chapter 16 RSC 1970), the Minister shall, within 90 days after the Notice of Confirmation has been registered, make an offer in writing to the expropriated interest. Such offer is equal to the full amount which, in the opinion of

[Mr. Turner (Ottawa-Carleton).]