

Transportation

something to say about every amendment, every section which has been presented to the committee. He is the man who knows all about transportation.

Some hon. Members: Hear, hear.

Mr. Churchill: He does not need any advisers. Oh, no, this is the big play. He is regaining the position he lost before Christmas to the Minister of National Health and Welfare. He has a claque behind him, now. This is a man with leadership ambitions. Everybody is here to support him. Look at his strength in the cabinet now. The minister of defence will be worried. He is slipping.

Now let us look closely at this question. The hon. member for Calgary South said, and I quote his words

In no place in his letter does he say what he means by "modernizing and rationalizing existing legislation". If some portion of this legislation should not convey the meaning which the president of the C.P.R. had in mind when he made this offer, I wonder whether his offer would be withdrawn. He mentions also "the effective changed conditions on freight rates otherwise fixed".

When he mentions fixed freight rates does he include the Crowsnest pass rates, for example?

I ask the minister to give an effective answer to the hon. member for Calgary South with regard to that most pertinent question. There is a condition in that letter. We sometimes wonder who is pushing the minister around. Is there somebody behind the scenes directing him as to his conduct of this bill through the house? What is the answer to that?

Why will not the C.P.R. change its letter and say "in view of the unexpected delay last fall our letter will be modified accordingly, and the date will read January 1, 1967 instead of January 1 after the legislation has been enacted."? That was the intent of the letter of August 29, 1966. Why should not that intent be carried through? Why cannot the minister tell us that the letter will be altered and he had another letter from the C.P.R. which he is prepared to table, or read out, showing a new date of January 1, 1967?

That reference to changed conditions of freight rates otherwise fixed—is this the reason for pursuing an investigation into the Crowsnest pass rates? The word is going across western Canada that the Minister of Transport and the Liberal party are dead set on eroding those rates. By a subterfuge they will permit the railways to make an application to the commission to have these rates

[Mr. Churchill.]

reviewed. The railways will bring in their costing conclusions and a subsidy will be granted by the government. Then, in the course of time, an argument will be built up that we cannot continue to subsidize the shipment of grain to our ports and that the rates will therefore have to be looked at very carefully and, perhaps, modified.

This is the word which is going around in western Canada. The people are beginning to awaken to the fact that there is more behind this bill than meets the eye. Although the government is saying that the rates will not be touched and that a subsidy will be provided if the railways succeed in proving their point, nevertheless the revenues will be examined, mileage figures will be given, the volume of grain shipped here and there, and the high cost of transportation to the railways mentioned, in an attempt to prove that the Crowsnest rates are uneconomic and that therefore the railways should be given a subsidy. Then within five or ten years the argument will be advanced that the subsidy should not be continued and that the rates should be altered. The people of western Canada are beginning to see through the activities of the Minister of Transport.

The minister has held himself silent for much longer that I ever anticipated he could, and I would ask him at this point to explain the phrase in the letter of the president of the C.P.R. and answer the questions raised by the hon. member for Calgary South. And if he repeats what he has already said, well we are accustomed to repetition from the minister.

Mr. Byrne: The minister has asked me to announce on his behalf that he is unable to support the amendment. I wish to say personally that I agree with him. I should like to say, also, that I feel the hon. member for Winnipeg South Centre is not giving much credit to those of his party who sat in the committee for something like 40 sittings and heard 40 witnesses, if he believes they failed to discover something in this bill which he now seems to find so objectionable.

• (5:30 p.m.)

Mr. Horner (Acadia): I suggested some time ago, and read from *Hansard*, that the minister did make an agreement with the railways, and whether or not the question of municipal taxes is written into the bill, as referred to in the letter between the minister and the president of the C.P.R., the minister did say as recorded at page 11601 of *Hansard* for