Mr. Ross Whicher (Bruce): Mr. Speaker, it certainly is a pleasure to follow the hon. member for Wellington-Grey-Dufferin-Waterloo (Mr. Howe), particularly on a subject such as this. This is a matter about which he has spoken on many occasions over the years, not only in the House of Commons but in the areas of Canada which he represents so capably. I must say that because of his speech my remarks will be shorter since many of the comments he made are those which I would have made.

I believe it is high time you and I, Mr. Speaker, as parliamentarians, decided who is responsible for transportation policies in Canada. We should decide whether it is the railways or the House of Commons. As the last speaker and others have said in this debate, although we are dealing merely with the Canadian National Railways in this bill as well as Air Canada, one cannot differentiate in respect of the CNR and the Canadian Pacific Railway in this connection. While it is necessary that the CNR each year ask Parliament for funds, the CPR received millions and millions of dollars as a result of agreements drawn up years ago. In addition the CPR was given millions of acres of land by the people of Canada. This money and the land were given to the CPR by the people of Canada in return for the provision of railway service for ever and ever. Because of this, this money has been going into the coffers of the CPR every year. Since the CPR is a private enterprise corporation, it does not have to come to the House each year to ask for money as is the case in respect of the CNR.

I should like for a moment to review some things which occurred many years ago when the railways began opening up the hinterland of Canada. Sir John A. Macdonald realized that in order to unite Canada it was necessary to have a railway system extending from Vancouver through to Halifax. Therefore, he and the financiers of that day, along with his associates, began thinking about how such a railway system could be started. Apart from having the brains to realize the necessity for such an undertaking, it was necessary to have the required money.

Many meetings were held and agreements were drawn up. By and large, the agreements were to the effect that the people would provide the money and the railways would provide the services for all time. In connection with the Canadian Pacific Railway, we find that this railway was given \$25 million. That was a large amount of money in those days. In addition, the railway was given 25 million acres of land. In return, the Canadian Pacific Railway was to build lines right across Canada and in various other areas of the country. Those services were to be provided for all time. The arrangement in respect of the Canadian National Railways was similar although it was financed by the Government of Canada. The railways were financed by hundreds of municipalities across Canada. This includes municipalities such as those in the riding of Bruce which I represent. The agreements provided that one municipality would advance \$20,000, another \$25,000, another \$30,000 and another \$40,000. In return for this money provided by the various municipalities, the railway was to provide railway service to these municipalities for all time.

Canadian National Railways

It may be that in certain circumstances some corporations, provinces or municipalities should be permitted to renege on a contract. It may be, for instance, that in certain areas of Canada a railway system today simply does not pay. It may be also, if Parliament so wishes and agrees, that the railway should be allowed to withdraw services in certain areas. However, if that should be the case, I suggest that when one reneges on a deal the other side of the story should be taken into consideration. In other words, the municipalities across Canada who signed agreements in the first instance with the railways should have the money they paid returned to them. Is there anything wrong with such a suggestion? Surely, this is the manner in which private business is conducted. Surely, also, if I have a parcel of land which I exchange with someone for services rendered, if those services should cease it is only right and proper that the parcel of land should be returned to me.

In the areas which I and other hon. members represent, it would appear that the CNR is no longer providing the services but is selling the lands that were given to it at a profit. At least, this is what the railway is attempting to do in the riding of Bruce. The hon. member who spoke a few moments ago mentioned the Douglas Point project. This is one of the largest projects from a financial point of view by any government agency in Canada. It involves an amount in excess of \$1 billion. The Canadian National Railways system is strengthening its tracks and so on, as well as improving its freight service. At the same time, however, the passenger service is being cut off through the whole area. The City of Owen Sound, with a population of approximately 19,000, and the immediate area with a population of 15,000 or 20,000, were left without rail passenger service as of November 1, 1970. Let us give the railways the benefit of the doubt and let us also assume that the Canadian Transport Commission did not make a mistake in cutting off passenger service in this area. Then, let us look at the deal that was made by the railway with the municipalities and let us consider the lands the railway received in return for providing service for all time to the people in that particular area.

Only a week or so ago, a motion was passed by the Bruce County Council. A copy was sent to me, the Canadian National Railways and to the Canadian Transport Commission. This motion, in effect, places the cards right on the table. Although I hesitate to mention in this House of Commons things which happen in a particular municipality or riding, nevertheless I shall refer to this motion because it hits the nail right on the head. That is exactly what we want to do. The motion which was put through reads:

• (4:40 p.m.)

That all lands in railway rights-of-way owned by either the Canadian National Railways or the Canadian Pacific Railway, which are no longer in use, be returned, without charge to the municipalities.

That motion was passed by the municipal council and it puts in one sentence exactly what should be done here in Canada. The CNR has called off the deal, so the municipalities should have the right to call off the deal