

*Canadian National Railways*

discharge properly its responsibility or those of Canada to the people of Newfoundland as contemplated by the terms of union between Newfoundland and Canada.

There is no doubt what the minister had in mind. He was referring to the terms of union which have been referred to by my colleagues and to which I have briefly alluded. The minister was advocating, on behalf of the Newfoundland government, that neither Canadian National Railways nor the government of Canada had the right to discontinue rail passenger service. However, we wanted to be fair about it; we did not want to hang our rights on a legalistic argument. We were prepared, as reasonable people, to allow the railway to prove to us conclusively that a bus service would be more efficient and would, in fact, be accepted by the people of Newfoundland.

● (4:20 p.m.)

In order to do this, the Newfoundland government suggested to the commission that between the time of the inauguration of the bus service and the fall of 1970 the railway should maintain regular train passenger service. The minister, in summing up his evidence before the commission, stated that the province of Newfoundland feels it should not be required to accept, and these are his words, "a pig in a poke". In other words, the province of Newfoundland should not be required to accept some vague suggestion on the part of Canadian National, using it as a form of subterfuge to get out of their responsibility as the agency of the government of Canada at the time the railway was taken over in 1949.

I find very interesting this particular brief presented to the commission by the six Newfoundland members of parliament who were sitting in the last parliament. The new Minister of Defence Production, the hon. member for Burin-Burgeo, was included amongst the six. This brief was presented by the then member for St. John's West, Mr. Richard Cashin. The brief stated that Canadian National Railways should demonstrate by experience rather than by opinion—I subscribe to these submissions—that the bus service is workable and does, in fact, constitute a definite improvement over the existing train service. Mr. Cashin felt, and he was speaking for his colleagues at the time, including the hon. member for Burin-Burgeo, that this could only be accomplished by operating the two schemes concurrently for a

[Mr. McGrath.]

period of five years. He felt that only in that way could you prove the merits of the one over the other, and only in that way would the railway have the opportunity of gaining the necessary experience in operating a bus service across Newfoundland.

At the time, he also made the suggestion that the railway give consideration to operating a diesel rail dayliner. This suggestion was dismissed out of hand by the railway as being too expensive because of the large capital outlay involved. Mr. Cashin presented his brief to the commission with his usual eloquence, and was speaking for himself and his five colleagues. He felt that the trial period was essential in order to ensure that Canadian National Railways would provide what, in essence, was a more effective service and prove they could maintain this service under the weather and highway conditions which would prevail in Newfoundland.

I was rather interested to find, Mr. Chairman, and I am sure my colleagues were, that the Minister of Defence Production, the hon. member for Burin-Burgeo, sang a different tune when he joined the treasury benches and became a member of this government. I am referring to his remarks during the throne speech debate, which can be found at page 282 of *Hansard*. At that time he supported the abandonment of rail passenger service in Newfoundland, and supported it with the type of eloquence for which he is famous.

Now, Mr. Chairman, what happened to make him change his mind? Well, that is subject to opinion. Apparently the Minister of Defence Production now sees the situation quite differently, from the treasury benches, than he did when he was a private member of this house. I find it difficult to understand why the Canadian Transport Commission, with a haste that is certainly not characteristic of a tribunal hearing such an important brief, should make this decision. After all, we are not dealing with a spur line or a branch line; we are dealing with a provincial railway covering the province of Newfoundland. Why was there such haste in handing down a decision? It is rather interesting to note that the decision was handed down only after the election on June 25.

A great deal has been made of the operating deficit Canadian National incurred in maintaining the passenger service in Newfoundland. My colleague referred to this. The Canadian Transport Commission, during the course of its hearing, and in its report, referred to this deficit, but referred to it for