

Supply—Transport

representations than he has made so far, in order that these employees, which include some older people, will not be thrown out of a job following the vacating by the C.N.R. of two buildings that have been sold to the government of the province of Quebec.

If unemployment is everyone's responsibility, the Minister of Transport in this case has a moral responsibility to make every effort to prevent the lay-off of these 160 employees.

I leave it at that for the time being, but we shall be watching closely what the minister will do for these workers, and I hope the Minister of Transport will see that they are protected and are not thrown out on the street.

Mr. Fleming (Eglinton): Mr. Chairman, that is a matter that the committee of the house will have an opportunity to consider.

(Text):

Item agreed to.

General—

743. Trans-Canada Air Lines deficit, 1960—amount required to provide for payment to Trans-Canada Air Lines (hereinafter called the company) upon applications approved by the Minister of Transport, made by the company to the Minister of Finance, and to be applied by the company in payment of the deficit (certified by the auditors of the company) arising in the calendar year 1960, subject to recovery therefrom of accountable advances made to the company from the consolidated revenue fund, \$2,607,350.

Mr. Hellyer: Can the minister say to what extent the deficit shown here was due to the competition from the once-a-day flights of Canadian Pacific Air Lines?

Mr. Fleming (Eglinton): I do not think one can isolate any one factor in this regard to connect it with the results of the year's operations. The fact is that Trans-Canada Air Lines anticipated a deficit this year of \$2½ million. It proved to be slightly larger relatively. The figure is \$2,607,350.

Mr. Fisher: Can the minister make a distinction between the forecast on the railroad side and the forecast in the case of Trans-Canada Air Lines? He has pointed out that Mr. McGregor's forecast was much closer to accuracy than that put forward by Mr. Gordon. The minister indicated earlier that the impact of economic circumstances explained the disappointing results in the case of the C.N.R. Can we take it that economic circumstances were less hard upon Trans-Canada Air Lines? If there is a recession one would assume it would affect both modes of transportation. I just wondered what reason the minister would give for the difference in the accuracy of the forecasts.

Mr. Fleming (Eglinton): It is very hard to be precise in these matters. I am sure management, alike of Canadian National Railways and Trans-Canada Air Lines, did their best to make an accurate forecast both of operating revenues and operating expenses when the budgets for the two companies were prepared and submitted early in 1960. The operating revenues of Trans-Canada Air Lines were about \$4 million less than the budget anticipated. The operating expenses, including depreciation, were about \$2 million less and the interest payable was about \$2.2 million less than anticipated in the budget.

Mr. Carier: Mr. Chairman, I am getting a little tired of the aspersions that the hon. member for Port Arthur is making against Mr. Gordon. I have no brief for Mr. Gordon, but I believe in fair play and certainly the answer to the question that he asked the minister should be within his understanding.

I should like to elaborate on what the minister has said. It is well known to everyone that Trans-Canada Air Lines gets most of its revenue from carrying passengers while the revenue of Canadian National Railways comes mostly from the carriage of freight traffic. With the slowdown in our economy there has been a falling off in traffic, and I should think that accounts mainly for the difference in the forecasts between Trans-Canada Air Lines and Canadian National Railways.

Item agreed to.

744. Reimbursement of Department of Transport stores account for the value of stores which have become obsolete, unserviceable, lost or destroyed, \$62,514.

Mr. Hellyer: Will the minister indicate the nature of the stores referred to in this item?

Mr. Fleming (Eglinton): The list includes stores that were written off as obsolete or unserviceable totalling \$52,569. This includes telecommunication spare parts, automotive spare parts, paints, metal and castings, food, printing and stationery forms, general hardware, plumbing supplies, electrical equipment and miscellaneous. Then there were some smaller amounts of losses. There was a write-off on stocktaking of \$3,360.45, a further loss of \$2,607.03 on account of thefts or other causes and, finally, stores destroyed to the value of \$3,976.72.

Mr. Hellyer: I should like to ask the minister whether he thinks it would be practical to include some of this basic information in the details of these votes. If he will consult what purport to be the details he will find that exactly the same information is given as is listed under the item. It seems