Anyway, I repeat my question today, hoping the minister will be able to say how many inspectors receive—I do not say earn —$25,000 or more in a year? If the minister who is presenting the bill cannot answer now, there should be an inquiry and if the results show that 50 per cent of those middle echelon officials are useless, they should be dismissed because we want a healthy administration.

I would like to point out something else concerning the present administration: its deficits. I would like to give you an example to explain the situation and show why the minister before granting loans should ask the management to review its administrative procedures.

If the minister believes that, under a Liberal government during the past seven years, our country has enjoyed prosperity, it is not normal that a company like the CNR operating in a just and thriving society should each year ask the government to make up its deficit.

This is what I am driving at. At the present time, salaries and operating costs are increasing, but lower rates are requested. Preferential prices and special rates are granted big oil and logging firms. Plants belonging to trusts throughout Canada are given preferential treatment in this regard. The most recent illustration of that I witnessed last summer and it struck me in a peculiar way. I refer to rates set by the CNR in 1957 for transportation between two areas in Quebec.

As against a rate set at 20 cents per cwt in 1957, the same company was being offered the same services at 24 cents per cwt during the 1969 summer months.

I have here a letter from a transportation firm in the Portneuf constituency, addressed to Mr. Lord Fortier, of the Canadian Transport Commission in Ottawa, and I quote:

Sir,

Further to our recent meeting at the Trucking Association Convention in Montreal, we dealt with the illegal competition from the CNR that all highway transportation companies have to put up with.

As far as we are concerned, we began moving sulphite from Lac Saint-Jean, to Saint-Raymond, in 1957, at which time the CNR rate was 29 cents per cwt.

Two years later, when we were very well equipped for such an operation, the CNR came up with a proposed rate of 22 cents.

This year again, namely 12 years later, while transportation rates have doubled since then, they still come up with a rate of 24 cents—per cwt.

It is precisely because the Canadian National Railways lower their rates when their operating costs increase that they show deficits in their operations.

Then the board says to the government: We are showing a deficit. Help us or guarantee some of our loans.

A few trains will be temporarily taken out of service. In the Saturday, November 29 issue of the paper *Le cheminot canadien*, one can read the following:

We have learned from reliable sources in Ottawa that the CNR wil soon ask for permission to abandon their transcanadian services as well as the passenger trains on the Montreal-Toronto, and Ottawa-Montreal runs as well as the Ocean Limited between Halifax and Montreal.

Mr. Speaker, in the "Recommendation" of the bill now under study, one can read the following:

—to authorize Her Majesty to make loans to the Canadian National Railway Company and Air Canada to meet deficiencies in operating revenues to June 30th, 1970, any such loans to be repaid from revenues of the railway company and Air Canada or, if revenues prove insufficient, by subsequent deficit appropriation by Parliament.

Mr. Speaker, I have been sitting in the House for four years, and I know that the CNR has been showing deficits since then. What you have just heard means that the CNR is being urged once more to show another deficit.

I think that if the Minister of Finance (Mr. Benson) asked the management of the Canadian National Railways to change their methods, they would no longer have to borrow money to cover their operating costs.

I would also like to deal, at this stage, with the financing of this Crown corporation. By passing this bill, we authorize the CNR to make expenditures of about $201,700,000. Clause 3(2) authorizes the CNR to borrow money. Clause 5 says that the government undertakes to guarantee the loans.

I think that if this Crown corporation must pay each year $70 million in interests on its debt, it is obvious that the government has already guaranteed too many loans. I wonder what will be the rate next time. Will the next loan be granted at the same conditions than those set by Canada for foreign countries, namely ¾ per cent, or 1 per cent interest? Will Canada be obliged then to guarantee a loan secured from private enterprise at a 9 or 10 per cent interest rate? According to clause 3, these are capital expenditures. In fact, the CNR is authorized, and I quote: