

Transportation Policies

the desire to promote traffic, the tolls were kept far below the level of profitable operation.

It is impossible to relate all the detailed effects of Dominion policy on the Canadian freight rate structure. Certainly the broad decline in the level of rates was accompanied by a narrowing of regional differentials. This, together with the special concessions to certain commodities, encouraged inter-regional trade and promoted the development of new areas, particularly in western Canada. All this led to a measure of prosperity in the central provinces that had not been seen since the 1850's. The highly specialized export production in western Canada and the decline in the competitive position of the small maritime manufacturers made Ontario and Quebec the manufacturing centre of the country. The growing volume of traffic from the prairie region moved over the railways, the waterways, and out through the ports of the central provinces. Banks, insurance companies, mortgage companies and other financial institutions in these older communities quickly extended their activities to the expanding west where they came to occupy virtually the whole field.

This commercial and industrial concentration was accompanied by rapid urbanization and the growth of metropolitan centres in central Canada. It was accompanied also by the rise of great national business organizations having their headquarters in Montreal and Toronto. Manufacturing, finance, and transportation seemed to be dominated by a few large corporations whose operations extended across the entire continent.

This period saw the development of a remarkable centralization in a country of such widely separated and varied regions. This should give us reason to think when we compare our transportation situation today with what we had when the country was developed. As I have said, the railways have never been dealt with as economic entities; the government has always treated them as instruments of national policy to build and to bind our country together and to give a service. This is really what the Hall Commission proposes, and I urge the government to give some assurance soon that the main thrust of Mr. Justice Hall's report will be accepted.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, we are living at a time when, according to all the experts, within the next five or ten years this country will be short of energy. We will find ourselves in a situation where we will have to import oil from South America or the Middle East, paying whatever is the international price at the time—money which we can ill afford. We ought to have begun to take steps to try to reduce our consumption of oil.

Unless we find ways to cut our consumption of oil we will have to import oil in increasing amounts as we run out of the oil we now have in Canada. There are a number of important steps which could be taken, particularly in the field of transportation policies which affect our cities and rural areas. None of these policies have been implemented, or even begun by this government under this minister. In his desire to win a majority, the Prime Minister (Mr. Trudeau) made a large number of election promises during the 1974 election. They were promises in connection with urban transportation which, if imple-

[Mr. Hamilton (Swift Current-Maple Creek).]

mented, would have had an advantageous effect on our cities and would have led to the saving of substantial amounts of gasoline. This gasoline is now being used by people in the cities, driving to and from work in their own automobiles.

● (1610)

I should like to quote from a report in the June 18, 1974, edition of the Montreal *Gazette* with reference to a speech made by the Prime Minister in Toronto on June 17. The article was written by George Radwanski, and it reads as follows:

A Liberal government would pay 100 per cent of the cost of Canadian-made vehicles and 50 per cent for platforms and stations, Prime Minister Pierre Trudeau said here yesterday as he unveiled the second element of his transport policy for urban areas.

The program, to cost \$275 million in the next five years, aims to "help cities to grow more harmoniously, to make cities people places rather than machine and building places," Trudeau told a noon-hour crowd of about 4,000 at the outdoor plaza of the Toronto-Dominion Centre.

Where the federal, provincial and municipal governments "agree a certain rapid system will benefit the people and is compatible with good urban planning," said Trudeau, a re-elected Liberal government would pick up its share of the tab.

It was estimated that the cost to the federal government would be somewhere in the neighbourhood of \$250 million to \$290 million. We have seen nothing of that promise.

According to the *Globe and Mail*, the Minister of Finance (Mr. Macdonald) was reported as saying the following in an interview on February 18, 1977, in Toronto:

The federal government's 1974 election promise of a national \$290-million mass urban transit program is dead... the program was killed because of spending restraints.

"The program that we contemplated in 1974 cannot be realized within the time frame of this parliament," he said.

This was said at a luncheon meeting between some federal cabinet ministers and the chairman and mayors of metropolitan Toronto. The article continues:

Asked about possible federal assistance for the Toronto Area Transit Authority's plans to expand the GO-transit system, Mr. Macdonald said Transport Minister Otto Lang would be making a decision on the matter shortly.

However, when asked whether the transit authority would get the 50 per cent subsidy it is seeking for a four-year, \$150-million expansion and upgrading program, Mr. Macdonald said: "That kind of money just isn't available... (for commuter transit) in one region of Ontario."

In the next five to ten years we must encourage a sharp reduction in the use of the private automobile. Until we have a modern, efficient, rapid urban transit system in Canadian cities, we can expect Canadians to use their own cars to get to and from work.

I would like to illustrate what I mean by referring to the situation in the city of Ottawa. Since 1974 we have had two or three increases in the price of bus fares. In 1974 the price of a single fare was 25 cents. Today it is 50 cents for a single fare or five tickets for \$2, which means 40 cents per trip if one buys five tickets at a time. The transit system in Ottawa is operating at a deficit, and there will be other increases unless the federal or provincial governments will provide a subsidy for the so-called losses of the bus system.