

association with Air Canada and its central location, Winnipeg would seem to be the logical spot. Just once I would like to see a minister tell Air Canada to do something. I would bet the sky wouldn't fall!

I have spent some considerable time attempting to illustrate the need for the government to develop a transportation policy which would enable transportation to be effectively employed as an instrument of national policy. To me, the first step in any such program beyond that of producing a well-researched and documented discussion paper and, ideally, draft legislation, would be to amend the legislation establishing the Canadian Transport Commission so as to replace references to "profitability" with "service to the public". Were that done there would no longer be any danger of carrier economics being equated with public convenience and necessity as in the recent decision, already alluded to, to permit Transair Midwest to abandon its Brandon-Dauphin-Yorkton run. Surely in this case it must be obvious that Transair was granted the lucrative Winnipeg-Toronto run not so as to provide additional competition for Air Canada but, rather, as a cross-subsidy which would enable it to maintain other less profitable routes.

● (2100)

The same in the case with CN and other railroads. The legislation must make it plain to the CTC that its role is not that of sympathetically nodding its head as the railroad trots out arguments to demonstrate that this branch line or that, this passenger service or that, is losing money and therefore should be abandoned. Rather, the CTC's role should clearly be that of pointing out to the rail companies that the large grants of land and mineral rights given to them by the Canadian public were designed to permit the rail companies to provide a service to the public and that the losses, if any, of the railroad operations should be balanced against the investment profits which have resulted from those grants of land and mineral rights.

For too long we have had governments which have judged the efficiency of our Crown corporations engaged in transportation exclusively on the evidence of the balance sheet. It is about time we began to judge their efficiency in relation to the service which they provide to the public and the degree to which they further the accomplishment of national objectives.

There are so many areas relating to the operations of Air Canada and the CN requiring comment that the difficulty lies not in discovering what to say but what may legitimately be left out. What is the government doing, for example, about the inadequate maintenance carried out on rights-of-way by CN? Why is CN not devoting more of its resources to the research and development of rapid intercity rail transportation? Why, for that matter, is the government, which is providing an \$80 million subsidy for the development of short take-off and landing aircraft, not spending equivalent amounts to improve rapid intercity rail transport? The potential benefits in terms of spin-off are just as great, given the interest in rail transportation in the rest of the world.

I could go on, but I will take the time only to draw one further problem to the attention of members of this House and the minister in particular, namely, the plight of the

Canadian National Railways and Air Canada

railroad pensioner. For some time now the railways employees pension association has been drawing to our attention, the attention of the public and the attention of the railroads and the railway unions, the need for improved pensions. I hope that the Minister of Labour (Mr. Munro) will see fit to appoint a commission of inquiry or to expand the terms of reference of the Deutsch commission now attempting to determine the actual cash value of the railways pension plan, expand those terms of reference or create another commission which will allow an inquiry into the entire range of problems associated with railway pensions. This proposal has been put to the Minister of Labour before in the House and he has indicated that he intends to give it sympathetic consideration. I see him nodding his head, and I hope that that sympathetic consideration will result in some concrete action in the near future.

The demands made by the pension association, after all, are relatively modest and quite in keeping with the pension legislation recently passed in the House modifying old age security legislation, the guaranteed income supplement legislation, public service pensions legislation and other measures. We have all received cards listing the desires of the railway pension association. I think it is worth while to put those demands on record. Their first demand is a 2 per cent pension retroactive to entering the service. The second is an escalator clause in line with the cost of living index, including a minimum increase of 2 per cent a year. The third is early retirement without penalty on a voluntary basis. The fourth is improved survivor benefits. The fifth is a request to upgrade railway pension plans in line with the provisions contained in the Public Service Superannuation Act, 1970, and its amendments.

Those are relatively modest demands which, I submit, the CN could meet and which the CP could certainly go a long way toward meeting. CP could afford to meet them, but there is less chance of government action affecting the decisions of CP, unfortunately. In other years the Minister of Transport has given assurances during debates such as this that he would do all in his power to influence the railway companies to improve benefits for pensioners. The exercising of that influence, with the backing of the House, has in the past produced benefits for the pensioners, in some cases rather substantial benefits. I would like very much to hear a similar undertaking from the Minister of Transport before we allow the debate on this bill to end.

● (2110)

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, our country is experiencing a most remarkable development. This is encouraging for us all and from every point of view. It is more and more normal that transportation and communications between citizens and the various locations in the country progress also at the same tempo as the population and the production of necessary goods and services for all Canadians.

If Canada's development is achieved by the work of its citizens, thanks to its nearly boundless natural resources, it is essential that the government finance the development or the creation of transport bodies requiring too